

DISTANCE EDUCATION

B.B.M. DEGREE EXAMINATION, MAY 2008.

MONEY AND BANKING

Time : Three hours

Maximum : 100 marks

SECTION A — (6 × 5 = 30 marks)

Answer any SIX questions.

All questions carry equal marks.

Each answer should not exceed a page.

1. Bring out the characteristics of money.
2. Define and explain the term inflation.
3. What is a capital market?
4. What is unit banking?
5. What are the agency services of commercial banks?
6. What do you mean by lead bank scheme?
7. Write short notes on lender of last resort.
8. Point out the objectives of credit control.
9. What is meant by open market operations?

SECTION B — (5 × 14 = 70 marks)

Answer any FIVE questions.

Each question carries 14 marks.

Each answer should not exceed 3 pages.

10. Discuss the functions of money in a modern economy.
 11. Bring out the causes of inflation.
 12. Discuss the uses and limitations of price index number.
 13. Elaborate the various items appearing in the balance sheet of a bank.
 14. Narrate the organisation and structure of commercial banks.
 15. Assess the role of exchange banks in financing foreign trade.
 16. Trace the history and genesis of RBI.
 17. Define the central bank in a developed money market.
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