(For the candidates admitted from 2012-2013 onwards)

B.B.A. DEGREE EXAMINATION, APRIL/MAY 2018.

Fourth Semester

MONEY, BANKING AND GLOBAL BUSINESS

Time: Three hours Maximum: 75 marks

PART A — $(10 \times 2 = 20 \text{ marks})$

Answer ALL questions.

- 1. What is a bank?
- 2. Define branch bank.
- 3. What is ATM?
- 4. Write short note on credit cards.
- 5. Define inflation.
- 6. What is an inflationary gap?
- 7. What is a money market?
- 8. What do you understand by capital market?

- 9. What do you mean by exchange control?
- 10. What is meant by devaluation of money?

PART B — $(5 \times 5 = 25 \text{ marks})$

Answer ALL questions.

11. (a) Explain the essential functions of a central bank.

Or

- (b) What are the primary functions of the commercial banks?
- 12. (a) Mention the steps involved in withdrawal of cash in ATMs.

Or

- (b) List out the benefits of e-banking.
- 13. (a) What are the causes of price inflation?

Or

- (b) Describe carefully the different phases of a trade cycle.
- 14. (a) What are the features of the Indian Money Market?

Or

(b) What are the objectives of monetary policy?

15. (a) What are the components of Foreign Exchange Market?

Or

(b) Distinguish between foreign currency rate and foreign exchange rate.

PART C — $(3 \times 10 = 30 \text{ marks})$

Answer any THREE questions.

- 16. State the defects of the process of credit creation.
- 17. Explain the working of credit card system.
- 18. Distinguish clearly between demand -pull, cost-push and sectoral inflation.
- 19. Describe briefly how monetary policy can be used to achieve full employment.
- 20. What factors influence the exchange rate of a country?