

FINAL YEAR B.Com. DEGREE EXAMINATION
SEPTEMBER 2007

(New Scheme)

Paper VII – BANKING THEORY AND PRACTICE

Time : Three Hours

Maximum : 80

Section A

*Answer any ten questions.
Each question carries 1 mark.*

1. What is "Special Crossing"?
2. What is "Bank Rate"?
3. What is "Credit Card"?
4. What is "Pass Book"?
5. Define "Cheque".
6. What is "Electronic Clearing Service"?
7. What is open market operation?
8. What is "ATM"?
9. What is "EFT"?
10. What is branch banking?
11. What is "Micro Finance"?
12. What is banking?

(10 × 1 =

Section B

*Answer any ten questions.
Each question carries 4 marks.*

13. What is mixed banking?
14. Explain the investment policy of commercial banks.
15. Distinguish between a general crossing and a special crossing.
16. What does opening of crossing mean?
17. What is material alteration of cheque?
18. Distinguish between a pledge and a mortgage.

19. Distinguish between cash credit and a overdraft.
20. Examine the role of NABARD in rural credit.
21. What are the functions of NABARD?
22. What are the functions of IDBI?
23. Briefly explain the objectives behind the formation of UTI.
24. What are the services provided by CRISIL?

(10 × 4 = 40 marks)

Section C

*Answer any two questions.
Each question carries 15 marks.*

25. What is "banking money"? How is credit created by commercial banks?
26. Explain the functions and operations of EXIM Bank.
27. Explain briefly the constitution and functions of Reserve Bank of India.

(2 × 15 = 30 marks)