

FINAL YEAR B.Com. DEGREE EXAMINATION, MARCH/APRIL 2008

Part III

Paper VII—BANKING THEORY AND PRACTICE

(2005 and earlier admissions)

Time : Three Hours

Maximum : 80 Marks

Section A

Answer any ten questions.

Each question carries 1 mark.

1. What is "Lead Bank" ?
2. What is "Kisan Credit Card" ?
3. What is "Payment in Due Course" ?
4. What is cash reserve ratio ?
5. What is mutilated cheque ?
6. Define the term "Cheque".
7. What is "Debit Card" ?
8. What is call money market ?
9. What is general crossing ?
10. What is "Overdraft" ?
11. What is "SIDBI" ?
12. What is "Credit Card" ?

(10 × 1 = 10 marks)

Section B

Answer any ten questions.

Each question carries 4 marks.

3. "The Commercial banks are not merely suppliers of money. But they are also manufactures of money." Explain.
4. Distinguish between Branch banking and Unit banking.
5. Explain briefly the bank rate policy of Central Bank.
6. What are the different types of Banking ?
7. What is offshore banking ?
8. What is statutory liquidity ratio ?
9. What is treasury bill ?
10. What are gilt edged securities ?

21. What is double crossing ?
22. Distinguish between a general crossing and a special crossing.
23. What are the services provided by CRISIL ?
24. Briefly explain the term mortgage.

(10 × 4 = 40 marks)

Section C

Answer any two questions.

Each question carries 15 marks.

25. What are non-performing assets of banks ? What do you mean by management of non-performing assets of banks ?
26. What is the object of the banker supplying a passbook or a statement of account to his customer ? Examine the effect of entries made in the passbook.
27. What are the duties of a paying banker ?

(2 × 15 = 30 marks)