

C 4176

(Pages : 2)

Name.....

Reg. No.....

FINAL YEAR B.Com. DEGREE EXAMINATION, MARCH 2010

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 call money market ?
2. What is bank rate ?
3. What is meant by margin ?
4. State two important systems of Note Issue.
5. What is Double Crossing ?
6. What is MICR cheque ?
7. What is Substandard Asset under asset classification of banks ?
8. What is Overdraft ?
9. Name two credit guarantee institutions in India.
10. Define Bill of Exchange.
11. Who is a holder in Due Course ?
12. What is a Pre Paid Card ?

(10 × 1 = 10 marks)

Section B

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

13. What are the important agencies services rendered by commercial banks ?
14. What is Credit Creation ? What are the limitations of credit creation ?
15. What are the objectives of EXIM Bank ?
16. What are important features of Lead Bank Scheme ?
17. What are the powers of the Reserve Bank under the Banking Regulation Act, 1949 ?
18. What are the factors contributing to NPA ?
19. What are the forms of assistance under Venture Capital financing ?
20. What is the procedure for opening a Saving Bank Account ?
21. What are the exceptions to the banker's obligation to maintain secrecy of customer's account ?

Turn over

22. What is crossing ? Distinguish between General crossing and Special crossing.
23. What are deficiencies of Indian money market ?
24. What is a credit card ? What are benefits of credit cards to its holders ?

(10 × 4 = 40)

Section C

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

25. What are the important special relationship between a banker and his customer ?
26. What is mortgage ? What are the types of mortgages ? Explain.
27. What is a Commercial Bank ? Explain its functions.

(2 × 15 = 30)

Studynotes