



Reg. No. :

103

Name :

Fourth Semester B.Com. Degree Examination, July 2017
First Degree Programme under CBCSS
Core Course : CO 1442/TT 1442/CX 1442/HM 1442/CC 1443

BANKING THEORY AND PRACTICE

**(Common for Commerce/Commerce & Tourism and Travel
Management/Commerce & Tax Procedure and Practice/Commerce &
Hotel Management and Catering/Commerce with Computer Application)**
(2014 Adm.)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** questions in **one** or **two** sentences **each**. **Each** question carries **one** mark.

1. What is unit banking ?
2. What is ATM ?
3. What do you mean by 'Home Safe Account' ?
4. Define Bank Rate.
5. What is group banking ?
6. What is lead bank scheme ?
7. What do you mean by credit card ?
8. What is garnishee order ?
9. What do you mean by 'NPA' management ?
10. Who is 'holder in course' ?

(10×1=10 Marks)



SECTION – B

Answer **any 8** questions. **Each** question carries **2** marks.

11. Examine the merits of chain banking system.
12. Write short note on 'Differential interest rate scheme'.
13. What is 'Variable Reserve Ratio' ?
14. What is moral suasion ?
15. Explain the exceptions to the 'Right of general lien'.
16. Write a short note on 'commercial bill market'.
17. What do you mean by 'liquidity' as applied to banks assets ?
18. Examine the essential characteristics of a negotiable instrument.
19. What is 'inchoate' instrument ?
20. Distinguish between a 'drawer' and 'maker' of a negotiable instrument.
21. Examine the merits of 'CORE' banking.
22. What do you mean by 'take out finance' ? Distinguish it from securitization.

(8×2=16 Marks)

SECTION – C

Answer **any 6** questions. **Each** question carries **4** marks.

23. Write a note on Regional Rural Banks (RRBs).
24. Discuss the defects of indigenous bankers.
25. Write a note on 'Real Time Gross Settlement'.
26. Give a brief account of nationalization of commercial banks.
27. What are the assumptions of bank rate policy ?



- 28. Examine the precautions to be taken by a banker while opening account in joint names.
- 29. Which are the modern services provided by banks through internet banking ?
- 30. Examine the general relationship between banker and customer.
- 31. Write a short note on 'marking of cheque'. **(6×4=24 Marks)**

SECTION - D

Answer **any 2** questions. **Each** question carries **15** marks.

- 32. Define a 'bank'. Examine the characteristics of a commercial bank. What are its primary functions ?
- 33. Briefly explain the retail credit products and services provided by banks to customers.
- 34. Write a detailed note on present structure of commercial banking in India.
- 35. What do you mean by credit control ? What are its objectives ? Discuss 'Open Market Operations' as an instrument of credit control. **(2×15=30 Marks)**