

(6 pages)

Reg. No. :

Code No. : 32086 E Sub. Code : CMCO 32

B.Com. (CBCS) DEGREE EXAMINATION,
APRIL 2023.

Third Semester

Commerce — Core

BANKING THEORY LAW AND PRACTICE

(For those who joined in July 2021 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL the questions.

Choose the correct answer :

1. The primary relationship between banker and customer is a _____ relationship
- (a) Mutual
(b) Contractual
(c) Personal
(d) None of the above

5. The reasonable period allowed in India for the presentation of a cheque is
- (a) 1 year
(b) 3 months
(c) 9 months
(d) depending upon custom
6. Which of the following is not the form of E-banking?
- (a) Internet Banking
(b) Direct Deposit in Bank
(c) Electronic cheque conversion
(d) Mobile banking
7. Use of personal computers at home for conducting their banking operation with their banks is called
- (a) Mobile Banking (b) Anywhere Banking
(c) Internet Banking (d) Home Banking
8. _____ is popularly known as Plastic cards or Plastic money
- (a) Smart cards (b) Electronic cards
(c) Credit cards (d) Debit cards

Page 3 Code No. : 32086 E

2. If the endorser signs his name only, the endorsement is said to be
- (a) Blank Endorsement
(b) Conditional Endorsement
(c) Restricted Endorsement
(d) Full Endorsement
3. In a bill of exchange, drawee is the person
- (a) who draws the bill
(b) on whom the bill is drawn
(c) to whom the payment of the bill is to be made
(d) to whom the payment of the bill is not to be made
4. Who will act as the banker to the Government of India?
- (a) State Bank of India
(b) Reserve Bank of India
(c) NABARD
(d) Nationalised Banks

Page 2 Code No. : 32086 E

9. RBI is known as lender of last resort because
- (a) It has to meet the credit need of citizen to whom no one else willing to lend
(b) Bank lend to go to RBI as a last resort
(c) It comes to help banks in times of crisis
(d) All of the above
10. Identify the selective instruments used by RBI for controlling credit
- (a) Margin requirement
(b) Issue of directives
(c) Regulation of consumer credit
(d) All of the above

PART B — (5 × 5 = 25 marks)

Answer ALL questions by, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) What is Negotiable Instrument? Explain its features.
- Or
- (b) Differentiate between cheque and bills of exchange.

Page 4 Code No. : 32086 E

[P.T.O.]

12. (a) Explain the functions of co-operative banks.

Or

(b) What are the services of EXIM bank?

13. (a) Mention the features of fixed deposits.

Or

(b) What do you understand by assignment and hypothecation?

14. (a) Describe the features of Retail banking.

Or

(b) Write a detailed note on ATM.

15. (a) Describe growth and development of RBI.

Or

(b) Enumerate the margin requirement as measure of credit control.

PART C — (5 × 8 = 40 marks)

Answer ALL questions by, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Discuss and general and special relationship between banker and customer.

Or

(b) Enumerate the various rights of banker.

Page 5 Code No. : 32086 E

17. (a) Briefly explain Indian Financial System.

Or

(b) Describe the functions of NABARD.

18. (a) Examine the different types of advances.

Or

(b) List out the various modes of charging security.

19. (a) What is Mobile Banking? Explain its merits.

Or

(b) Write a detailed note on RTGS.

20. (a) List the important functions of RBI.

Or

(b) Examine the various methods of credit control.

Page 6 Code No. : 32086 E