M 2090

Reg. No. : ....

Name : ....

V Semester B.A./B.Sc./B.Com./B.B.A./B.B.A.T.T.M./B.B.M./B.C.A./B.S.W./ B.A. Afsal Ul Ulama Degree (CCSS – Reg./Supple./Improv.) Examination, Nov. 2012
CORE COURSE IN COMMERCE
5B10 COM : Modern Banking

Time : 3 Hours   Total Weightage : 30

PART – A

This Part consist of **two** bunches of questions carrying **equal** weightage of **one**. **Each** bunch consist of **four** objective type questions. Answer **all** :

I. Choose the right answer :

1) ATM refers to
   a) Automated Teller Machine   b) Anytime Money
   c) Autocratic Teller Machine   d) None of these

2) Bank rate is
   a) The rate of Central Bank   b) Rate of Commercial Bank
   c) Rate of Co-operative Bank   d) None of these

3) Fixed deposits can be withdrawn through
   a) Issue of cheque
   b) Issue of draft
   c) Surrendering fixed deposit receipt
   d) None of these

4) Note issue system followed by RBI is
   a) Minimum Reserve System   b) Proportional Reserve System
   c) Fixed Fiduciary System   d) Maximum Fiduciary System   (W = 1)

II. Fill in the blanks with suitable words :

5) NPA stands for _____

6) Open market operation is _____ type of credit control.

7) When the customer has credit balance in a bank, the banker is the _____ of the customer.

8) SLR stands for _____   (W = 1)

P.T.O.

PART – B

Answer **any eight** questions in **one** or **two** sentences **each**. **Each** question carries **a** weightage of **one** :

9. What is bank rate ?

10. Which account is having the lowest rate of interest ?

11. What do you understand by particular lien ?

12. Expand SWIFT.

13. What is overdraft ?

14. What is right of set off ?

15. What is primary security ?

16. What is cash credit ?

17. Write any two different forms of advances.

18. What is margin ?

(W = 8×1=8)

PART – C

Answer **any six** questions. **Each** question carries **a** weightage of **two** :

19. What are the requisites for a good bank security ?

20. What are the merits of stock exchange securities ?

21. Explain the present rate issue system of RBI.

22. Explain the mechanism of open market operation as a methods of credit control.

23. Name any five departments of RBI.

24. What are the essentials of a pledge ?

25. What are the advantages of cash credit ?

26. Explain the rule in Clayton's case. (W = 6×2=12)

PART – D

Answer **any two** questions. **Each** question carries **a** weight of **four** :

27. What are the exceptions to the banker's obligation to observe secrecy of customer's account ?

28. Discuss the general relationship between a banker and a customer.

29. What are the factors to be considered while selecting a credit card ?

(Weightage 2×4=8)

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