

(6 pages)

Reg. No. : .....

Code No. : R 20441 E Sub. Code : SMCO 33

B.Com. (CBCS) DEGREE EXAMINATION,  
NOVEMBER 2018.

Third Semester

Commerce — Main

BANKING

(For those who joined in July 2017 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Cheque is defined under section \_\_\_\_\_  
of Negotiable Instruments Act.
- (a) 3  
(b) 4  
(c) 5  
(d) 6

2. Negotiable Instruments Act was enacted in the year
- (a) 1871 (b) 1881  
(c) 1971 (d) 1981
3. One which coordinates banks providing industrial finance is
- (a) NABARD  
(b) EXIM bank  
(c) IDBI  
(d) Foreign Exchange Bank
4. Export Import Bank was set up in the year
- (a) 1972 (b) 1977  
(c) 1982 (d) 1987
5. The principle of sound lending is
- (a) Safety (b) Liquidity  
(c) Profitability (d) All these
6. Fixed deposit is also called
- (a) Time deposit  
(b) Recurring deposit  
(c) Saving deposit  
(d) Current deposit

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7. 'SWIFT' is a form of \_\_\_\_\_ network.
- Local
  - National
  - International
  - None of these
8. Who introduced Credit Card system in India?
- ICICI
  - Central Bank of India
  - HSBC
  - HDFC
9. Reserve Bank of India was set up in the year
- 1933
  - 1934
  - 1935
  - 1936
10. Which of the following is the quantitative credit control measure?
- Bank rate policy
  - Open market operations
  - Credit rationing
  - Cash reserve ratio

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PART B — (5 × 5 = 25 marks)

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

Answer should not exceed 250 words.

11. (a) Distinguish between bill of exchange and cheque.
- Or
- (b) What is material alteration? What are its effects?
12. (a) Point out the objects of EXIM bank.
- Or
- (b) What are the tasks of foreign exchange bank?
13. (a) Distinguish between current and savings account.
- Or
- (b) Describe the characteristics of traditional banking.
14. (a) Write a brief note on RTGS.
- Or
- (b) Why is credit card required?

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[P.T.O.]



15. (a) How are open market operations undertaken during inflation situation?

Or

- (b) What are the objectives of credit control?

PART C — (5 × 8 = 40 marks)

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

Answer should not exceed 600 words.

16. (a) What are negotiable instruments? Explain its features.

Or

- (b) Discuss the special relationship between banker and customer.

17. (a) Describe the functions of industrial development banks.

Or

- (b) What are the role and weakness of indigenous bankers?

18. (a) Describe the forms of advance loans.

Or

- (b) Narrate the distinguishing features of overdraft.

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19. (a) Write an elaborate note on mobile banking service.

Or

- (b) Discuss the nature and scope of retail banking.

20. (a) What are the major functions of RBI?

Or

- (b) Summarize the credit card measures of RBI.
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