(6 pages) Reg. No. : .....

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B.B.A. (CBCS) DEGREE EXAMINATION, NOVEMBER 2012.

Fifth Semester

Business Administration – Main

Skill Based Subject — BANKING PRACTICE

(For those who joined in July 2008 onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. _____ loan is granted to meet the working capital needs of the customer

(a) Short-term loan

(b) Medium-term loan

(c) Long-term loan

(d) Overdraft

2. Ability of an asset to convert into cash is called _____

(a) profitability (b) safety

(c) liquidity (d) productivity

3. Neither possession nor ownership is transferred in

(a) Hypothecation (b) Lien

(c) Mortgage (d) Pledge

4. A banker's lien is a

(a) particular lien (b) general lien

(c) special lien (d) negative lien

5. _____ refers to a banking transaction routed through internet

(a) Traditional banking

(b) Electronic banking

(c) Conventional banking

(d) Regular banking

6. In paperless banking transactions, many problems of ———— are involved

(a) Secrecy (b) Security

(c) Safety (d) Service

7. ATMs are nothing but ———— branches of a bank

(a) Actual (b) Real

(c) Virtual (d) Original

8. Card related frauds and crimes cannot take place in case of

(a) Smart card (b) ATM card

(c) Debit card (d) Credit card

9. Truncated cheque is an ———— image of a physical paper cheques

(a) Xerox (b) Duplicate

(c) Electronic (d) Mirror

10. Electronic cheque is generated, written and signed in a secured manner using ———— signature

(a) analog (b) digital

(c) hybrid (d) original

PART B — (5 × 5 = 25 marks)

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

11. (a) Write short notes on :

(i) Primary security

(ii) Collateral security.

Or

(b) Bring out the significant aspects of loan.

12. (a) What are the characteristics of hypothecation?

Or

(b) What is meant by anomalous mortgage? Explain it.

13. (a) What do you mean by intranet procurement?

Or

(b) Explain the concept of customer-to-bank E-banking.

14. (a) What are the features of complete centralised solution?

Or

(b) Write short notes on :

(i) Privacy controls

(ii) Redundancy controls.

15. (a) State and explain any five constraints of E-banking.

Or

(b) Write short notes on :

(i) Privacy controls

(ii) Accuracy controls.

PART C — (5 × 8 = 40 marks)

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

16. (a) "Confidence in the borrower is the basis of unsecured advances". Discuss how confidence is judged by the banker.

Or

(b) Differentiate between loans, cash credit and overdraft.

17. (a) Explain the major differences between pledge and hypothecation.

Or

(b) Bring out the rights of mortgager and rights of the mortgagee.

18. (a) What is a truncated cheque? Explain its essential features.

Or

(b) Define electronic cheque and explain its salient characteristics.

19. (a) What do you mean by E-banking? What are the constraints of E-banking?

Or

(b) Elaborately discuss the security measures to be followed in E-banking system.

20. (a) State and explain various control measures used in E-banking system to overcome security problems.

Or

(b) Elaborately discuss the characteristic features of E-banking.

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