

(6 pages)

Reg. No. :

Code No. : 3601

Sub. Code : RSBA 5 A

**B.B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2010.**

FIFTH Semester

Skilled 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. Capital + capacity – character = _____.

- (a) Dangerous risk (b) Fair credit risk
(c) Inferior credit risk (d) fraudulent one

2. _____ is the bailment of goods as security for payment of a debt.

- (a) Mortgage (b) Lien
(c) Pledge (d) Hypothecation

3. _____ applies to movable goods and commodities, movable machinery, book debts, etc.

- (a) Mortgage (b) Lien
(c) Hypothecation (d) Pledge.

4. _____ is an interconnection of computer communication networks covering the whole world.

- (a) Intranet (b) Internet
(c) Networld (d) Interworld.

5. E – banking facilitates _____ banking.

- (a) Wireless (b) Paperless
(c) Riskless (d) Careless

14. (a) What do you mean by RTGS? Explain it.

Or

- (b) Write short notes on:

- (i) Authenticity controls.
- (ii) Accuracy controls.

15. (a) Distinguish between overdraft and cash credit.

Or

- (b) Write a note on bills discounted and purchased.

PART C — (5 × 8 = 40 marks)

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

16. (a) Define hypothecation and explain the precautions to be taken by the banker in case of hypothecation.

Or

- (b) Distinguish between pledge, mortgage and hypothecation.

17. (a) Describe the mechanism for the operation of E – cheque.

Or

- (b) Explain the process of Mchq' operation mechanism.

Page 5 Code No. : 3601

18. (a) Enumerate operative mechanism of RTGS and explain its advantages.

Or

- (b) Distinguish between conventional banking and E – banking.

19. (a) What factors will you consider in the implementation of E – banking system?

Or

- (b) What are the various security measures adopted to make E – banking system more secure?

20. (a) Explain the principles that guide a banker in granting loans and advances.

Or

- (b) What are the basis on which a banker is sanctioning unsecured advances?

Page 6

Code No. : 3601