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Reg. No. : .....

**Code No. : 20453 E      Sub. Code : SMC0 33**

B.Com. (CBCS) DEGREE EXAMINATION,  
NOVEMBER 2020.

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. Agricultural banks are of \_\_\_\_\_ types.  
(a) 2                                      (b) 3  
(c) 4                                      (d) 5
2. Re-discounting the bills of commercial banks is the function of \_\_\_\_\_.  
(a) Banker  
(b) Banker's bank  
(c) Lender  
(d) RBI

3. Banking regulation Act was enacted in the year
- (a) 1946 (b) 1947
- (c) 1948 (d) 1949
4. Bill of exchange is defined under section \_\_\_\_\_ of negotiable instruments Act
- (a) 2 (b) 3
- (c) 4 (d) 5
5. Lien is a right exercised by \_\_\_\_\_.
- (a) Surety (b) Creditor
- (c) Debtor (d) All these
6. Which of the following is the form of secured loan?
- (a) Pledge
- (b) Hypothecation
- (c) Mortgage
- (d) All these
7. WAP full form is \_\_\_\_\_.
- (a) Wireless Application Protocol
- (b) Wireless Alteration Portal
- (c) Wireless Allocation Protocol
- (d) Wireless Application Port

8. The EFT was launched by the \_\_\_\_\_.
  - (a) Central
  - (b) RBI
  - (c) Commercial bank
  - (d) Syndicate bank Govt.
9. Which of the following is the quantitative credit control measures?
  - (a) Cash reserve ratio
  - (b) Direct action
  - (c) Credit rationing
  - (d) Determination of margin
10. RBI Act was enacted in the year
  - (a) 1933
  - (b) 1934
  - (c) 1935
  - (d) 1936

PART B — (5 × 5 = 25 marks)

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

Each answer should not exceed 250 words.

11. (a) Write a short note on negotiable instruments.
- Or
- (b) Write the features of cheque.

12. (a) Write the functions of NABARD.

Or

(b) Explain the importance of land development banks.

13. (a) Explain the various kinds of deposits.

Or

(b) Explain the various forms of advances.

14. (a) Distinguish between debit card and credit card.

Or

(b) Distinguish between online banking and offline banking.

15. (a) Mention any five functions of RBI.

Or

(b) Explain any five methods of credit control.

PART C — (5 × 8 = 40 marks)

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

Each answer should not exceed 600 words.

16. (a) What is endorsement? Explain its kinds.

Or

- (b) Distinguish between promissory note and bill of exchange.

17. (a) List out the advantages of commercial banks.

Or

- (b) Write the functions of co-operative banks.

18. (a) Distinguish between pledge and mortgage.

Or

- (b) Explain the principles of sound lending.

19. (a) Write a note on electronic funds transfer.

Or

- (b) List out the advantages of internet banking.

20. (a) How does RBI maintain its external relationship? Explain.

Or

- (b) How does the RBI act as bankers' bank?
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