PART C — (5 × 8 = 40 marks)

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

Answer should not exceed 600 words.

16. (a) 'The relationship between a banker and a customer is primarily that of a debtor and creditor' - Comment.

Or

(b) Explain the types of damages.

17. (a) Describe the different types of deposits.

Or

(b) Discuss the duty of banker with regard to a materially altered cheque.

18. (a) State the rights of a creditor against surety.

Or

(b) What are the precautions to be considered while taking guarantee?

19. (a) Explain the important methods of charging a security.

Or

(b) Describe the different types of mortgages.

20. (a) Explain the process of preparing an E-cheque.

Or

(b) What are the salient features of a Truncated cheque?

Reg. No. : ....

Code No. : 12695 **Sub. Code : GSBA 4 A**

B.B.A. (CBCS) DEGREE EXAMINATION, APRIL 2016.

Fourth Semester

Business Administration — Main

Skill Based Subject — BANKING PRACTICE

(For those who joined in July 2012 and afterwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer:

1. The right of a person to retain the goods until the debt due to him has been settled is called a ————

(a) bond (b) lien

(c) pledge (d) mortgage

2. The banker has a statutory obligation to ————

(a) honour customers' cheque

(b) exercise lien

(c) honour customers' bills

(d) maintain secrecy of customers' accounts.

3. Discounting of bills of exchange is ——————

(a) clean advance (b) secured advance

(c) both (d) neither

4. Money can be withdrawn any number of times from —————— account.

(a) savings (b) current

(c) fixed deposit (d) recurring deposit

5. Security advances are made on the security of —————— assets.

(a) fixed (b) tangible

(c) intangible (d) none of these

6. The banker can ascertain the title of the borrower to the goods by inspecting ——————

(a) guarantee card (b) warranty card

(c) original invoice (d) quotation

7. —————— mortgage involves no registration.

(a) Legal (b) Simple

(c) Equitable (d) English

8. The bailment of goods as security for payment of a debt is called ——————

(a) bailment (b) pledge

(c) bailor (d) bailee

9. A Truncated cheque is —————— of a physical paper cheque.

(a) electronic image (b) photo copy

(c) duplicate (d) none of these

10. The important delivery channel of E-Banking is —————— banking.

(a) home (b) tele

(c) internet (d) mobile

PART B — (5 × 5 = 25 marks)

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

Answer should not exceed 250 words.

11. (a) Explain the term banker.

Or

(b) What is the relationship between debtor and creditor?

12. (a) What are the characteristics of a bill of exchange?

Or

(b) Distinguish between marking and acceptance.

13. (a) What do you mean by primary security?

Or

(b) What are the liabilities of a surety?

14. (a) List out the advantages of a pledge.

Or

(b) State the features of hypothecation.

15. (a) What are the advantages of E- banking?

Or

(b) Write a note on Hi-tech bank within bank.