

D 43300

(Pages : 3)

Name.....

Reg. No.....

SECOND SEMESTER B.A. DEGREE EXAMINATION, MAY 2018

(CUCBCSS-UG)

Complementary Course

ECO 1C 03/ECO 2C 03—BANKING—I AND BANKING—II

Time : Three Hours

Maximum : 80 Marks

Answers may be written either in English or in Malayalam.

Part A

Answer all questions.

Each question carries ½ mark.

1. The RBI was nationalized in :
(a) 1934. (b) 1935.
(c) 1948. (d) 1951.
2. Which one of the following is the apex bank in agricultural finance in India ?
(a) Gramin Bank. (b) ARDC.
(c) NABARD. (d) RBI.
3. Which of the following is an asset of a bank ?
(a) Deposits. (b) Loans.
(c) Both loans and deposits. (d) None of these.
4. If the cash reserve ratio is 20 %, then the credit multiplier is :
(a) 2. (b) 5.
(c) 4. (d) 10.
5. The Reserve Bank of India, India's central banking authority was nationalized :
(a) 1956. (b) 1948.
(c) 1950. (d) 1951.
6. Crossing a cheque without the knowledge of the drawer is a case of :
(a) Material authorization. (b) Immaterial authorization.
(c) Authorised alteration. (d) None of these.
7. The money market for extremely short period loans is referred to as :
(a) Call money market. (b) Commercial bill market.
(c) Collateral loan market. (d) Treasury bill market.

Turn over

8. The major players in Indian money market is :
- (a) RBI. (b) Commercial Banks.
(c) Co-operative Banks. (d) Indigenous Banks.
9. A market for long term funds are called :
- (a) Money market. (b) Capital market.
(c) Commercial banks. (d) Foreign exchange banks.
10. Honouring of a cheque is a :
- (a) Privilege. (b) Obligation.
(c) Statutory obligation. (d) Contractual obligation.
11. Dishonour of a cheque due to want of funds is an offence under Section _____ of the Negotiable Instrument Act 1881.
- (a) 36. (b) 138.
(c) 56. (d) 146.
12. The document which can be used only for making local payment is :
- (a) A cheque. (b) A bill of exchange.
(c) A banker's cheque. (d) A draft.

(12 × ½ = 6 marks)

Part B (Very Short Answer Type Questions)

Section I

Answer any five questions.

13. What are the constituents of a financial system ?
14. What is an ATM ?
15. What is meant by Internet banking ?
16. Define branch banking.
17. Distinguish between Scheduled and Non-scheduled banks.
18. What is clearing house ?

Section II

Answer any five questions.

19. Distinguish between Money market and Capital market.
20. Define discount market.
21. Distinguish between current account and recurring account.
22. What is a derivative deposit ?
23. What are the types of negotiable instruments ?
24. What are bonus shares ?

(10 × 2 = 20 marks)

Part C (Short Essay Questions)**Section I**

Answer any three questions.

25. What is a balance sheet of bank ? Illustrate with an example.
26. Describe the impact of technological innovations in banking.
27. What are money market instruments ?
28. What are the arguments for and against nationalization of banks in India ?

Section II

Answer any three questions.

29. What are the salient features of a cheque ?
30. Describe different kinds of crossing.
31. Distinguish between discount market and acceptance market.
32. Explain the steps of opening a Savings Bank Account.

(6 × 5 = 30 marks)

Part D (Essay Questions)**Section I**

Answer any one question.

33. Describe the functions of commercial banks.
34. Explain the development role of RBI.

Section II

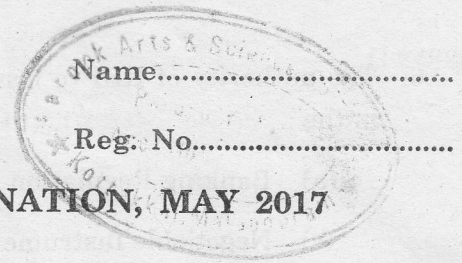
Answer any one question.

35. What are the peculiarities of Indian money market ?
36. Illustrate the process of credit creation by banks, if there are three banks, 20 % cash reserve ratio and initial one time deposit is 10000.

(2 × 12 = 24 marks)

C 24823

(Pages : 4)



SECOND SEMESTER B.A. DEGREE EXAMINATION, MAY 2017

(CUCBCSS—UG)

Complementary Course

ECO 1C 03 AND ECO 2C 03—BANKING I AND II

Time : Three Hours

Maximum : 80 Marks

Answers may be written either in English or in Malayalam.

Section A (Objective Type Questions)

PART I

Answer all questions.

Each question carries ½ mark.

1. A system with a network of branches carrying banking business throughout the country.
 - (a) Chain Banking.
 - (b) Branch Banking.
 - (c) Mixed Banking.
 - (d) Group Banking.
2. The RBI was nationalized in :
 - (a) 1934.
 - (b) 1935.
 - (c) 1948.
 - (d) 1951.
3. The technique of deliberate and direct buying and selling of securities and bills in the money market by Central bank.
 - (a) Open Market Operation.
 - (b) Statutory Liquidity Ratio.
 - (c) Repo & Reverse Repo.
 - (d) Solvency.
4. Which among the following is not an apex financial institution in India ?
 - (a) IDBI.
 - (b) NABARD.
 - (c) IFCI.
 - (d) IRBI.
5. An organisation of banks constituted for settling inter-bank liabilities due to transfer of deposits.
 - (a) Central bank.
 - (b) Scheduled Banks.
 - (c) Clearing House.
 - (d) Discount House.

Turn over

6. The authority of RBI to issue directions to banking companies to control credit is contained in the :

- (a) Banking Regulation Act. (b) Reserve Bank of India Act.
(c) Negotiable Instrument Act. (d) None of these.

(6 × ½ = 3 marks)

PART II

Answer **all** questions.

Each question carries ½ mark.

7. The stock or shares of the highest quality, with long records of earnings and dividends, of well known, or stable companies.

- (a) Gilt-edged security. (b) Fixed income securities.
(c) Blue chip stocks. (d) Preferred stock.

8. The market in which prices are going up and the market sentiments are highly optimistic.

- (a) Bearer Market. (b) Bull market.
(c) Primary Market. (d) Secondary Market.

9. Market in which securities are sold for the first time.

- (a) Money Market. (b) Primary Market.
(c) Capital Market. (d) Secondary Market.

10. Shares issued to existing shareholders as a result of capitalization of reserves is _____.

- (a) Bonus shares. (b) Income bonds.
(c) Debentures. (d) Preferred stock.

11. The safest form of a crossed cheque is :

- (a) General crossing. (b) Special crossing.
(c) Double crossing. (d) A/c Payee crossing.

12. The offence under Sec. 138 of the Negotiable Instrument Act is deemed to have been committed, if the drawer fails to make payment within _____ Period from the date of the receipts of notice.

- (a) 1 Month. (b) 45 days.
(c) 15 days. (d) 3 Months.

(6 × ½ = 3 marks)

Section B (Very Short Answer Type Questions)**PART I**

Answer any five questions.

Each question carries 2 marks.

13. Define scheduled commercial bank ?
14. Write a note on RBI.
15. What is a clearing bank ?
16. What are NBFIs ?
17. Briefly mention Merchant Banking.
18. Write a note on liabilities of a bank.

(5 × 2 = 10 marks)

PART II

Answer any five questions.

Each question carries 2 marks.

19. Define a cheque.
20. What is a money market ?
21. Write a note on Acceptance House.
22. What is meant by Joint Accounts ?
23. What is a collateral security ?
24. Define ATM ?

(5 × 2 = 10 marks)

Section C (Short Essay Questions)**PART I**

Answer any three questions.

Each question carries 3 marks.

25. What are financial intermediaries ?
26. What are the advantages of deposit insurance ?
27. Write a note on balance sheet of a bank with an example.
28. What are the secondary functions of modern commercial banks ?

(3 × 3 = 9 marks)

Turn over

PART II

*Answer any three questions.
Each question carries 3 marks.*

29. What are the constituents of a good financial market ?
30. Mention the issues of dishonouring a cheque.
31. What are partnership firms ?
32. What are importance of crossing a cheque ? Illustrate with example.

(3 × 5 = 15 marks)

Section D (Essay Questions)

PART I

*Answer any one question.
The question carries 12 marks.*

33. What are the functions of commercial banks ?
34. Critically evaluate the Bank nationalization in India

(1 × 12 = 12 marks)

PART II

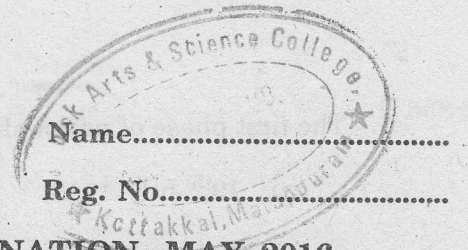
*Answer any one question.
The question carries 12 marks.*

35. What are negotiable instruments? Explain their properties.
36. Describe the salient features of Indian Money Market.

(1 × 12 = 12 marks)

C 5684

(Pages : 4)



SECOND SEMESTER B.A. DEGREE EXAMINATION, MAY 2016

(CUCBCSS—UG)

Complementary Course

ECO 1C 03 AND ECO 2C 03—BANKING I AND II

Time : Three Hours

Maximum : 80 Marks

Answers may be written either in English or in Malayalam.

Part A

Answer all twelve questions.

1. The statement showing the asset and liabilities of a bank in a financial year is called :
 - (a) Balance of payment.
 - (b) Balance of accounts.
 - (c) Balance of trade.
 - (d) Balance sheet.
2. If 'K' is the credit multiplier and 'r' is the cash reserve ratio, then the relationship between K and r is :
 - (a) Direct.
 - (b) Inverse.
 - (c) Initially direct and then inverse.
 - (d) Indeterminate.
3. Which of the following is the apex bank in industrial finance in India ?
 - (a) RBI.
 - (b) NABARD.
 - (c) IDBI.
 - (d) ICICI.
4. The deposit that receives relatively higher rate of interest, is :
 - (a) Fixed deposit account.
 - (b) Current account.
 - (c) Savings bank account.
 - (d) Current and savings bank account.
5. A system with a network of branches carrying banking business throughout the country :
 - (a) Chain Banking.
 - (b) Branch Banking.
 - (c) Mixed Banking.
 - (d) Group Banking.

Turn over

6. The first phase of nationalization of Indian banks were in :
- (a) 19th July 1969. (b) 19th July 1971.
(c) 12th April 1980. (d) 11th January 1969.
7. After nationalization, the then Imperial Bank of India was renamed as :
- (a) RBI. (b) SBI.
(c) Central Bank of India. (d) Indian Bank.
8. A market for short term funds are called :
- (a) Money market. (b) Capital market.
(c) Securities market. (d) All the above.
9. Which of the following is an obligation or a liability of a bank ?
- (a) Primary deposits. (b) Derivative deposits.
(c) Loans and advances. (d) Discounting of bills.
10. The document drawn by a debtor on the creditor agreeing to pay a certain sum is called
- (a) Cheque. (b) Promissory note.
(c) Bill of exchange. (d) Draft.
11. The best suited deposit for a trading company is
- (a) Saving deposit. (b) Fixed deposit.
(c) Current deposit. (d) Recurring deposit.
12. Maintenance of the secrecy of a cheque is a
- (a) Privilege. (b) Obligation.
(c) Statutory Obligation. (d) Contractual Obligation.

(12 × ½ = 6 marks)

Part B (Very Short Answer)*Answer any five questions***SECTION I**

13. What is an open cheque ?
14. What is a Demand Draft ?
15. Define Call money market
16. Write a note on the Section 138 of the Negotiable Instrument Act.
17. Define banker's cheque.
18. What is meant by A/c payee crossing ?

SECTION II*Answer any five questions*

19. What are the deposit accounts ?
20. Define Core Banking.
21. What is derivative deposit ?
22. Define an acceptance market ?
23. What are the peculiarities of Indian money market ?
24. What are the constituents of financial system ?

(10 × 2 = 20 marks)**Part C (Short Essay Questions)***Answer any three questions.***SECTION I**

25. What is an ATM ? Bring out its advantages.
26. Describe the impact of bank nationalization in India.
27. What are the classifications of banks ?
28. Explain the relationship between banker and customer.

SECTION II*Answer any three questions.*

29. Distinguish between discount market and acceptance market.
30. Discuss the merits of Treasury bill market.
31. What are the kinds of crossing a cheque ?
32. What are the requirements of a good money market ?

(6 × 5 = 30 marks)**Turn over**

Part D (Essay Questions)

Answer any one question.

SECTION I

33. Explain the functions of RBI.
34. Describe the significance of commercial banks.

SECTION II

Answer any one question.

35. Illustrate the structure of Indian Money market ?
36. What is a cheque ? Describe the salient features of a cheque.

(2 × 12 = 24 marks)

D 93834

(Pages : 3)

Name.....

Reg. No.....

**FIRST SEMESTER B.A. DEGREE (SUPPLEMENTARY) EXAMINATION
NOVEMBER 2015**

(UG—CCSS)

Complementary Course

EC 1C 03—BANKING I

(2013 Admissions)

Time : Three Hours

Maximum : 30 Weightage

Answers may be written either in English or in Malayalam.

Section A (Objective Type Questions)

Answer all twelve questions.

I. A Multiple choice questions :

1 The Banking Regulation Act was enacted in :

- (a) 1949. (b) 1889.
(c) 1950. (d) 1948.

2 Deposits created by banks in the process of granting credit is termed as :

- (a) Derivative deposits. (b) Primary deposits.
(c) Saving deposits. (d) None of these.

3 ATM facility provides :

- (a) Loans. (b) Investments.
(c) Liquidity. (d) None of these.

4 Unit banking system is prevalent in :

- (a) Great Britain. (b) USA.
(c) India. (d) Canada.

II. B Fill in the blanks :

5 A banking system where two or more banks are controlled by a holding company is termed as _____.

6 Bills which are not accompanied by documents of title to goods are _____.

Turn over

7 Deposits create loans and loans create _____.

8 RRBs are providing loans to _____.

III. C Answer in a word/sentence :

9 Name the bank which creates credit.

10 The State Bank group of banks and the Nationalized banks together are termed as :

11 Who can stop the payment of a cheque ?

12 The system of banking where banks combine both the deposit banking and investment banking is known as :

(12 × ¼ = 3 weightage)

Section B (Short Answer Type Questions)

Answer all nine questions.

13 Define a Scheduled bank.

14 Define Chain banking.

15 What is a clearance bank ?

16 Define Overdraft.

17 What is current deposit ?

18 What are non-performing assets ?

19 What is merchant bank ?

20 Define Non-Banking Financial Intermediary.

21 What do you mean by discounting bills of exchange.

(9 × 1 = 9 weightage)

Section C (Short Essay or Paragraph Questions)

Answer any five of the questions from seven.

22. Explain the role of goldsmith in England in developing modern banking institutions.

23. Enumerate the main sources of a bank's funds.

24. Distinguish between unit banking and branch banking.
25. What are negotiable instruments ? Bring out their features.
26. What are scheduled banks and state the advantages enjoyed by a scheduled bank ?
27. Explain the process of credit creations by banks.
28. Briefly explain the objectives of bank nationalization in India.

(5 × 2 = 10 weightage)

Section D (Essay Type Questions)

Answer any two questions from three.

- 29 Explain the basic principles of sound banking.
- 30 Explain the meaning and functions of merchant banks.
- 31 Examine the structure and functions of commercial banks in India.

(2 × 4 = 8 weightage)

D 53618

(Pages : 3)

Name.....

Reg. No.....

FIRST SEMESTER B.A. DEGREE EXAMINATION, JANUARY 2014

(UG—CCSS)

Complementary Course

Economics

EC IC 01 (B)—BANKING—I

(2013 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

Answers may be written either in English or in Malayalam.

Section A

Objective Type Questions.

Answer all twelve questions.

I. A. Multiple choice questions :

1 The bank which conducts all of its business in one location is :

- (a) Branch banking. (b) Unit banking.
(c) Group banking. (d) None of these.

2 The Central Bank in India is :

- (a) The RBI. (b) The Reserve Bank
(c) The SBI. (d) IDBI.

3 Banks earn interest on :

- (a) Deposits. (b) Loans.
(c) Demand draft. (d) Bill of Exchange.

4 14 major commercial banks in India were nationalized in:

- (a) 1954. (b) 1969.
(c) 1980. (d) 1991.

II. B. Fill in the blanks:

5 _____ refers to a system whereby a single entity operates more than one branch.

6 The largest Public sector bank in India is _____.

Turn over

- 7 Development banks provide long term finance to _____ Sector
 8 RRBs are providing loans to _____.

III. C. Answer in a word/ sentence :

9. Name the bank which performs the function of issue management.
 10. Name the bank which acts as the "lender of last resort".
 11. The State Bank group of banks and the Nationalized banks together are termed as :
 12. Balance sheet of a bank.

(12 × ¼ = 3 weightage)

Section B

Short Answer Type Questions.

*Answer all **nine** questions.*

- IV. 13. What is a Commercial bank ?
 14. Define Chain banking.
 15. What is financial intermediary ?
 16. What is meant by saving deposit ?
 17. What is Overdraft ?
 18. Define mixed banking.
 19. What are the agency functions of a Commercial bank ?
 20. Define a Scheduled bank.
 21. What is merchant bank ?

(9 × 1 = 9 weightage)

Section C

Short essay or paragraph questions.

*Answer any **five** of the questions from seven.*

- V. 22. Explain the significance of banks in a modern economy.
 23. Distinguish between Group banking and Chain banking.
 24. Explain the functions of merchant banks.
 25. Examine the assets and liabilities of a bank.
 26. Explain the process of credit creations by banks.
 27. What are negotiable instruments ? Bring out their features.
 28. Examine the functions of Regional Rural Banks.

(5 × 2 = 10 weightage)

Section D

Essay Type Questions.

*Answer any **two** questions from three.*

- VI. 29. Examine the structure and functions of commercial banks in India.
30. Distinguish between Unit banking and Branch banking. Point out their merits and demerits.
31. Examine the objectives and effects of bank nationalization in India.

(2 × 4 = 8 weightage)