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Reg. No.....

Name.....

B.Com. DEGREE (C.B.C.S.S) EXAMINATION, NOVEMBER 2011

First Semester

Core Course—II—MODERN BANKING

(Common for Model-I, Model-II and UGC sponsored B.Com. Programmes)

Time : Three Hours

Maximum Weight : 25

Answers may be written either in English or in Malayalam.

Section A

Answer all questions.

Each bunch of four questions carries a weight of 1.

I. Choose the correct answer from the choices given.

1 Which of the following is not an innovative series :

- (a) Merchant banking. (b) Factoring.
(c) Accepting deposits. (d) Leasing.

2 HDFC bank is an example of :

- (a) Private sector Indian Banks.
(b) Private sector foreign banks.
(c) Public sector banks.
(d) Nationalised Banks.

3 Overdraft is granted to :

- (a) SB Account holders only. (b) Current account holders only.
(c) Fixed account holders only. (d) All of these.

4 On the opening of an account the banker assumes the position of a _____.

- (a) Debtor. (b) Creditor.
(c) Agent. (d) Custodian.

II. Fill in the blanks are banks which provide :

5 Investment banks are banks which provide _____.

6 Group banking is very popular in the _____.

7 Money at call and short notice represents very short term loans given for periods ranging from _____.

8 _____ is a post paid card.

III. State whether the following are true or false :

9 The primary general relationship between a banker and a customer starts from the time when the customer enquires to open a bank account.

Turn over

- 10 Registration is essential for internet banking and mobile banking services.
- 11 There are two parties to a credit card viz the issuing banker and the card holder.
- 12 EFT stands for Emergency Funds Transfer.

IV. Answer in a "word" or "phrase".

- 13 A _____ card is used for making purchase of goods and services without the authorisation of personal identification numbers as in a debit card.
- 14 NPA stands for.
- 15 Name the institution where mutual claims of local banks are settled.
- 16 The obligation of a banker to honour his customer's cheques is extinguished on receipt of an order of the court is known as the _____.

(4 × 1 = 4)

Section B

*Answer any five questions.
Each question carries a weight of 1.*

- 17 Define endorsement.
- 18 Define special crossing of a cheque.
- 19 Bring out the main points of difference between branch banking and unit banking.
- 20 Explain any two advantages of credit cards to card holders.
- 21 Write a short note on Home Banking.
- 22 What is RRB ?
- 23 Distinguish between primary deposits and secondary deposits.
- 24 Define the term "liquidity".

(5 × 1 = 5)

Section C

*Answer any four questions.
Each question carries a weight of 2.*

- 25 Explain the general relationship between banker and customer.
- 26 What do you understand by material alteration in a cheque ?
- 27 What is a truncated cheque ? Enumerate its merits.
- 28 What is ATM ? Discuss its merits.
- 29 Define microfinance. How does it differ from micro credit ?
- 30 What is banking Ombudsman scheme ?

(4 × 2 = 8)

Section D

*Answer any two questions.
Each question carries a weight of 4.*

- 31 Explain the advantages and disadvantages of credit cards.
- 32 Explain the limitations of credit creation by Commercial Banks.
- 33 What were the reasons leading to nationalisation of banks ? Explain briefly the objectives of nationalisation of banks.

(2 × 4 = 8)