

**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034****B.Com. DEGREE EXAMINATION – HONOURS****FOURTH SEMESTER – APRIL 2023****UBH 4501 – MODERN BANKING**

Date: 04-05-2023

Dept. No. 

Max. : 100 Marks

Time: 09:00 AM - 12:00 NOON

**SECTION A - K1 (CO1)****Answer ALL the Questions****(10 x 1 = 10)****1. Definitions**

- a) Banking
- b) Credit Control
- c) Garnishnee Order
- d) Pledge
- e) Core banking

**2. Fill in the blanks**

- a) Neither possession nor ownership transferred in \_\_\_\_\_
- b) Monetary policy refers to the policy of \_\_\_\_\_
- c) \_\_\_\_\_ acts as a sole agent of RBI.
- d) The negotiable instrument act was passed in the year of \_\_\_\_\_
- e) \_\_\_\_\_ is a dead cheque.

**SECTION A - K2 (CO1)****Answer ALL the Questions  
10)****(10 x 1 =****3. MCQ**

- a) \_\_\_\_\_ is a primary function of commercial banks.
  - a) Providing Safety Lockers
  - b) Purchasing and selling of govt securities
  - c) Accepting deposits and lending money
  - d) Letter of credit.
- b) MSF is a rate at which banks borrow overnight from RBI. What is the full form of MSF.
  - a) Marginal Statutory Facility
  - b) Marginal Standing Facility
  - c) Minimum Statutory Facility
  - d) Maximum Standing Facility.
- c) Deposits from \_\_\_\_\_ account can be withdrawn without any prior notice.
  - a) Savings
  - b) Current
  - c) Fixed
  - d) Recurring
- d) In Banking, operational risk arises from which of the following factor(s):
  - I. Inadequate or failed internal processes
  - II. People and systems
  - III. External events
  - IV. Defaults
  - V. Market price fluctuations

Choose the best options

	a) I, II and III b) I, IV and V c) II and V d) All the above
e)	Facility of E-banking is provided through _____ a) telephone b) debit cards c) internet d) credit cards
4.	<b>True or False</b>
a)	Commercial banks offer their services only to businesses.
b)	Bank rate is a qualitative method of credit control.
c)	Credit Cards issued by the banks are actually a form of bank's lending activity.
d)	Central bank also performs the functions of cooperative banks.
e)	Electronic banking plays a major role in providing better customer service.
<b>SECTION B - K3 (CO2)</b>	
	<b>Answer any TWO of the following in 150 words (2 x 10 = 20)</b>
5.	Explain the term priority sector lending and bring out its importance.
6.	Examine this statement, 'Loans create deposit for a Commercial banker'
7.	Bring out the importance of private sector banks in providing good customer service.
8.	Briefly explain different types of crossing in a cheque.
<b>SECTION C – K4 (CO3)</b>	
	<b>Answer any TWO of the following in 150 words (2 x 10 = 20)</b>
9.	Analyse the role of banking towards economic development.
10.	Estimate the significance of E-banking facility for a banking sector.
11.	Evaluate the various types of endorsements available for a drawer
12.	Critically evaluate the relationship of banker with the customer.
<b>SECTION D – K5 (CO4)</b>	
	<b>Answer any ONE of the following in 250 words (1 x 20 = 20)</b>
13.	Discuss the various modern banking services available to a customer in detail.
14.	Critically analyse the functions of RBI with adequate illustrations.
<b>SECTION E – K6 (CO5)</b>	
	<b>Answer any ONE of the following in 250 words (1 x 20 = 20)</b>
15.	Describe various types of banks along with their operational functions in detail.
16.	'Banking is necessary, banks are not' – Comment on this statement keeping in mind the importance of modern banking services.

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