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(Pages : 2)

Name.....

Reg. No.....

**FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2018**

(CUCBCSS—UG)

Open Course

ECO 5D 03—BANKING

Time : Two Hours

Maximum : 40 Marks

*Answers may be written either in English or in Malayalam.*

**Part A**

*Answer all questions.*

*Each question carries ½ marks.*

1. A negotiable instrument not by statute but by custom is ——— ?  
(a) Banker. (b) Agent.  
(c) Hundi. (d) Claim.
2. RBI Act was in the year ——— ?  
(a) 1948. (b) 1934.  
(c) 1969. (d) 1929.
3. ——— is not a method of granting advances in India ?  
(a) Cash credit. (b) Overdraft.  
(c) Bills discounting. (d) Devaluation
4. The most important type of deposit bank is :  
(a) Industrial banks. (b) Saving banks.  
(c) Exchange banks. (d) Commercial banks.
5. Note issuing authority in India :  
(a) SBI. (b) SBT.  
(c) RBI. (d) ADB.
6. The auction of treasury bills are done only at the ——— Mumbai.  
(a) LIC. (b) GIC.  
(c) RBI. (d) UTL.

**Turn over**

7. Direct credit in the Indian banking system is \_\_\_\_\_ lending.
- (a) Least lending. (b) General lending.  
(c) Reserve lending. (d) Priority sector lending.
8. KGB is in \_\_\_\_\_.
- (a) Karnataka. (b) Kerala.  
(c) Kashmir. (d) Gujarat.

(8 × ½ = 4 marks)

**Part B (Very Short Answer Type Questions)**

*Answer any five questions.  
Each question carries 2 marks.*

9. Define Unit banking.  
10. What is Chain banking ?  
11. Explain treasury bills.  
12. Explain joint account.  
13. What is open market operation ?  
14. Explain Bankers bank.  
15. What is a cheque ?

(5 × 2 = 10 marks)

**Part C (Short Essay Type Questions)**

*Answer any four questions.  
Each question carries 4 marks.*

16. Briefly explain the growth of banking in India.  
17. What are the functions of commercial banks ?  
18. What are the peculiarities of Indian money market ?  
19. Explain the balance sheet of a bank.  
20. Write a note on acceptance houses.  
21. Explain financial intermediaries.

(4 × 4 = 16 marks)

**Part D (Essay Type Questions)**

*Answer any one question.  
Each question carries 10 marks.*

22. Explain briefly the functions of RBI ?  
23. Explain the credit creation of a commercial bank ?

(1 × 10 = 10 marks)