

FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2013

(UG – CCSS)

Economics (Open Course)

EC 5D 03—BANKING

Time : Three Hours

Maximum : 30 Weightage

Part A

Answer all twelve questions.

I A. Multiple Choice Questions :

1 What will be the impact on the cash reserve of commercial banks if RBI conducts a sale of securities?

- (a) Increase. (b) Decrease.
(c) Remain constant. _____ (d) None of the above.

2 Which among the following is a qualitative control measure in India ?

- (a) Bank Rate policy. (b) Open Market operation.
(c) Ways and means Advance. —(d) Margin Requirements.

3 Which of the following measures will NOT help control inflation ?

- (a) Increase in Bank Rate.
- (b) Increase in Repo rate.
- (c) Purchased of Securities in open market.
- (d) Increase in Reserve Ratio.

4 Indigenous Bills of Exchange are called :

- (a) Indian Bills. (b) Commercial Paper.
(c) Hundies. (d) Certificate of Deposit.

B. Fill in the blanks :

5 The capital Market deals in _____ term loans.

6 _____ Note is an instrument in writing.

7 Ways and Mens advance is from the RBI to the ____

8 Cheques can be open cheques or _____'cheques.

Turn over

C Answer in a word/sentence :

9 Collateral Security.

10 Non Performing Assets.

11 Cheques.

12 Acceptance Houses.

(12 x $\frac{1}{4}$ = 3 weightage)

Part B (Short Answer type Questions.

Answer all nine questions.

13 Write a brief note on the unorganized of the Indian money market ?

14 Explain what is meant by the concept of mixed banking.

15 What are treasury bills ?

16 Write a note on the call Money market.

17 What is a current account ?

18 What is the Statutory Liquidity Ratio ?

19 Explain the concept of Scheduled Banks ?

20 Explain what is meant by a Promissory Note ?

21 What is a stock Exchange ?

(9 x 1 = 9 weightage)

Part C (Short Essay/Paragraph type questions)

Answer any five questions.

22 Distinguish between Primary Market and Secondary Market.

23 Distinguish between scheduled banks and non-Scheduled banks.

24 Write a note on Development Banks.

25 What are the major functions of the Central Bank ?

26 What are Non-Banking Financial intermediaries ?

27 Explain the statement that Loans create Deposits.

28 Explain the difference between core and corporate banking.

(5 x 2 = 10 weightage)

Part D (Essay/Questions)

Answer any two questions.

29 What are commercial banks ? Explain in details the various functions of commercial banks.

30 Explain the various quantitative and qualitative credit control measures.

31 Write an essay on the Money Market and capital Market in India.

(2 x 4 = 8 weightage)