

19P328

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Name.....

Reg. No.....

**THIRD SEMESTER M.A DEGREE EXAMINATION, NOVEMBER 2020**

(CUCSS-PG)

**CC19P ECO3 E01 - BANKING: THEORY AND PRACTICE**

(Economics)

(2019 Admission Regular)

Time : Three Hours

Maximum : 30 Weightage

**Part A**

Answer *all* questions. Each question carries 1/5 weightage.

1. The Reserve Bank of India was established on  
a) 1934                      b) 1935                      c) 1945                      d) 1946
2. Central Bank raises the money supply each time it ----- securities  
a) Buys                      b) Sells                      c) Holds                      d) Lowers
3. A reduction in bank rate will not lead to  
a) Fall in market interest rates                      b) Raises the profitability of borrowing  
c) Expansion of credit                      d) Contraction of credit
4. Which is the largest public sector bank in India?  
a) Central Bank of India                      b) State Bank of India  
c) Canara Bank                      d) Punjab National Bank
5. Lead bank system was started on the recommendations of  
a) Raja Challaia Committee                      b) Nariman Committee  
c) Kelkar Committee                      d) Malhotra Committee
6. The first development financial institution in India that has got merged with a bank is  
a) IDBI                      b) ICICI                      c) IDFC                      d) UTI
7. MUDRA Bank provides loans at low rates to  
a) micro-finance institutions                      b) non-banking financial institutions  
c) Both of the above                      d) None of these
8. Which of the following NBFC converted itself into a commercial Bank?  
a) Tata Finance                      b) Reliance Capital Trust  
c) Birla Mutual                      d) Kotak Mahindra
9. The Advance fee fraud is associated with  
a) Mail transfer                      b) Telegraphic transfer  
c) Internet banking                      d) Mobile banking

(1)

**Turn Over**

10. Mobile banking consists of  
 a) Mobile accounting                      b) Mobile brokerage  
 c) Mobile financial information services      d) All of the above
11. One of the largest companies that offer wire transfer is  
 a) PayPal                      b) NetSafe                      c) Western Union      d) WebMoney
12. A loan is classified as non-performing if the payment is late by  
 a) 120 days                      b) 60 days                      c) 180 days                      d) 90 days
13. Which organization provides credit history of the borrowers?  
 a) CIBIL                      b) IRDA                      c) RBI                      d) None of these
14. A bank that owns and controls banking activity in two or more countries is called as  
 a) Offshore bank                      b) International bank  
 c) Multinational bank                      d) None of these
15. Which among the following is not true for Bank for International Settlements?  
 a) Fosters discussion and facilitate collaboration among central banks  
 b) Do not carry out research and policy analysis  
 c) Act as prime counterparty for central banks in their financial transactions  
 d) Serves as an agent or trustee in international financial operations

(15 x 1/5 = 3 Weightage)

**Part B** (Very Short Answer Questions)Answer any *five* questions. Each question carries 1 weightage.

16. Differentiate between bank rate and repo rate.
17. What is the role of Federal Open Market Committee?
18. State the objectives of development financial institutions.
19. Enumerate the major components of social banking?
20. What are hedge funds?
21. Define capital adequacy ratio.
22. What is SARFAESI Act?
23. Bring out the importance of multinational banking.

(5 x 1 = 5 Weightage)

**Part C** (Short Answer Type Questions.)Answer any *seven* questions. Each question carries 2 weightage.

24. Explain the functions and role of Bank of England.
25. Discuss the significance of ICICI in Indian financial system.
26. Explain the important functions of Reserve Bank of India.

27. Why was the BRICS Bank created? What are its achievements?
28. Write a note on functions and working of SIDBI.
29. Describe the role and responsibilities of Regional Rural Banks for rural development in India.
30. What are the types of mutual fund? Comment on working of mutual fund in India.
31. Give an account of core banking solutions.
32. What is the classification of non-performing assets? Explain.
33. Explain the operations of Banking Ombudsman Scheme.

(7 x 2 = 14 Weightage)

**Part D** (Essay Questions)Answer any *two* questions. Each question carries 4 weightage.

34. Critically examine the recent quantitative credit control measures adopted by RBI.
35. "Technology has changed the face of banking services in India". Discuss.
36. Critically appraise the major banking sector reforms in India since 1991.
37. Explain the objectives and functions of Asian Development Bank. Describe India's relationship with the Asian Development Bank.

(2 x 4 = 8 Weightage)

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