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Name..................................

Reg. No..................................

THIRD SEMESTER M.A. DEGREE EXAMINATION, DECEMBER 2016

(CUCSS)

Economics

ECO 3C 11—BANKING : THEORY AND PRACTICE

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

Section A

Answer **all** *the questions.*

Each question carries a weightage of ¼.

1. When was Indian Banking Act come into force ?

    (a) 1948.

    (b) 1949.

    (c) 1950.

    (d) 1951.

2. When the Ombudsman Scheme was first introduced in India ?

    (a) November 2006.

    (b) October 1981.

    (c) June 1995.

    (d) January 1998.

3. Which of the following NBFC converted itself into a commercial Bank ?

    (a) Tata Finance.

    (b) Reliance Capital Trust.

    (c) Birla Mutual.

    (d) Kotak Mahindra.

4. MICR technology used for clearance of cheques by banks refers to :

    (a) Magnetic Ink Character Recognition.

    (b) Magnetic Ink Company Recognition.

    (c) Magnetic Ink Cross Recognition.

    (d) Magnetic InkCommunity Recognition.

5. Expand ECS :

    (a) Electronic Cross Systems.

    (b) Electronic Centered System.

    (c) Electronic Clearing System.

    (d) Electronic Conversion Systems.

6. World Bank stands for :

    (a) NABARD.

    (b) GATT.

    (c) IBRD.

    (d) Bank of England.

Turn over

7. Electronic equipment that allows cardholding customers to perform various banking transactions without interacting with a human teller is called as :

    (a)   ATM.   (b)   NEFT.

    (c)   EFT.   (d)   SWIFT.

8. The services rendered by a banker as an agent of his customers are called :

    (a)   Principal services.   (b)   Agency services.

    (c)   General utility services.   (d)   Social services.

9. What does CBS stands for ?

    (a)   Columbia Broadcasting System.

    (b)   Core Banking Solution.

    (c)   Canalizing Banking Scheme.

    (d)   Central Banking System.

10. Which of the following is not the form of E-banking ?

    (a)   Internet banking.   (b)   Mobile banking.

    (c)   Electronic cheque conversion.   (d)   Direct Deposit in Bank.

11. EXIM Bank is owned by ————.

    (a)   Govt, of India and RBI jointly.

    (b)   RBI and select Commercial Banks jointly.

    (c)   Fully owned by Govt, of India.

    (d)   Partly by financial institutions.

12. Credit rationing is a ———— method of credit control.

    (a)   Quantitative credit control   (b)   Qualitative credit control

    (c)   Direct credit control   (d)   Continuous credit control

(12 × ¼ = 3 weightage)

Section B

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

13. MUDRA Banks.

14. Social banking.

15. New Generation Banks.

16. UTI.

17. Banking Ombudsman.

18. Merchant Banks.

19. CIBIL.

20. Electronic Payment System.

(5 × 1 = 5 weightage)

Section C

*Answer any **eight** question.*
Each question carries a weightage of 2.
*The answer should not exceed **one and half a page** each.*

21. What are the major issues in banking sector reforms ?

22. Write a note on the functioning of New Development Bank.

23. Comment on the operations of Regional Rural Banks.

24. Examine the problems of non-performing assets.

25. Explain the role of NABARD in rural development.

26. Write a note on the structure and functions of European Central Bank.

27. Explain the objectives and instruments of monetary policy.

28. Comment on the operations of World Bank.

29. Examine the role of public sector banks in an economy.

30. Explain the role of major specialized investment institutions in India.

31. Examine the structure and functions of co-operative banks in India.

(8 × 2 = 16 weightage)

Section D

*Answer any **three** questions.*
Each question carries a weightage of 4.
*The answer shall not exceed **three pages**.*

32. Explain the major functions of central bank in an economy.

33. Critically examine the recommendations of Narasimham Committee on Banking Sector.

34. Explain the credit creation mechanism of commercial banks. What are its limitations ?

35. Examine role of innovations in improving the efficiency of banking transactions.

36. Explain the role of financial institutions and specialized financial institutions in the development of an economy.

(3 × 4 = 12 weightage)