

Enrollment No.....



Faculty of Management
End Sem (Odd) Examination Dec-2018
MS3EF03 Basics of Commercial Banking

Programme: BBA Branch/Specialisation: Management/
Finance

Duration: 3 Hrs.**Maximum Marks: 60**

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. The requirement of maintain minimum cash reserve with RBI is called **1**
(a) CRR (b) MCR (c) ARR (d) CMR
- ii. Regional Rural Bank comes under **1**
(a) RBI (b) Commercial bank
(c) Private bank (d) None of these
- iii. Term loans are loans which are granted for a tenure of **1**
(a) Less than one year (b) More than one year
(c) More than five year (d) Less than five year
- iv. The deposits where customers expect to be able to withdraw money at **1**
any time
(a) Term deposit (b) Recurring Deposit
(c) Deposit (d) Demand Deposit
- v. KYC means **1**
(a) Know your customers (b) Know your competitors
(c) Both (a) and (b) (d) None of these
- vi. Minor age is **1**
(a) 18 (b) 21 (c) 25 (d) 17
- vii. ATM means **1**
(a) Any time money (b) Automatic time machine
(c) Automated teller machine (d) None of these
- viii. Associated with electronic delivery of service **1**
(a) Virtual Banking (b) Universal Banking
(c) E-Banking (d) All of these

- ix. System of rules, practice and process by which a firm is directed and **1**
controlled
(a) Corporate governance (b) Central Government
(c) State Government (d) None of these
- x. A system in with banks provide a wide variety of financial services **1**
(a) Universal Banking (b) Green Banking
(c) Shadow Banking (d) None of these

- Q.2 Attempt any two:
- i. What do you understand by Evolution of Banking? **5**
- ii. Give the definition, meaning and importance of bank. **5**
- iii. Write the main functions of Reserve Bank of India. **5**
- Q.3 i. Describe the project finance in Indian economy. **4**
ii. Describe the principles of lending. **6**
- OR iii. Write short on: **6**
(a) Loan syndication (b) Bridge loan
- Q.4 Attempt any two:
- i. What precautions should a banker take in opening account in the name **5**
of minors and married women?
- ii. Describe the KYC norms under the guidelines of the RBI. **5**
- iii. What is the procedure of closing of accounts? **5**
- Q.5 i. What is the importance of Modern Technology in Banking? **4**
ii. Differentiate between NEFT and RTGS. **6**
- OR iii. Write short on: **6**
(a) Debit card (b) Credit card
- Q.6 Attempt any two:
- i. What do you understand by Universal Banking? Explain in brief. **5**
- ii. Write short on **5**
(a) Green Banking (b) Shadow Banking
- iii. What is the meaning of Corporate Governance? Write the importance **5**
of corporate governance in Indian banks.

Marking Scheme
MS3EF03 Basics of Commercial Banking

				(a) Loan syndication	3 marks		
				(b) Bridge loan	3 marks		
Q.1	i.	The requirement of maintain minimum cash reserve with RBI is called	1	Q.4	Attempt any two:		
		(a) CRR		i.	Precautions in opening account in the name of minors and married women	5	
	ii.	Regional Rural Bank comes under	1		2.5 marks for each	(2.5 marks * 2)	
		(b) Commercial bank		ii.	KYC norms under the guidelines of the RBI	5	
	iii.	Term loans are loans which are granted for a tenure of	1		Any five points 1 mark for each	(1 mark * 5)	
		(b) More than one year		iii.	Procedure of closing of accounts	5	
	iv.	The deposits where customers expect to be able to withdraw money at any time	1		Any five points 1 mark for each	(1 mark * 5)	
		(d) Demand Deposit		Q.5	i.	Importance of Modern Technology in Banking	4
	v.	KYC means	1			Any four points 1 mark for each	(1 mark * 4)
		(a) Know your customers		ii.	Differentiate between NEFT and RTGS.	6	
	vi.	Minor age is	1		Any three differences 2 marks for each	(2 marks * 3)	
		(a) 18		OR	iii.	Write short on:	6
	vii.	ATM means	1		(a) Debit card	3 marks	
		(c) Automated teller machine (d) None of these			(b) Credit card	3 marks	
	viii.	Associated with electronic delivery of service	1	Q.6	Attempt any two:		
		(a) Virtual Banking		i.	Universal Banking	5	
	ix.	System of rules, practice and process by which a firm is directed and controlled	1		Any five points 1 mark for each	(1 mark * 5)	
		(a) Corporate governance		ii.	Write short on	5	
	x.	A system in with banks provide a wide variety of financial services	1		(a) Green Banking	2.5 marks	
		(a) Universal Banking			(b) Shadow Banking	2.5 marks	
Q.2		Attempt any two:		iii.	Meaning of Corporate Governance	1 mark	
	i.	Evolution of Banking	5		Principles	2 marks	
	ii.	Definition	1 mark		importance of corporate governance	2 marks	
		Meaning	2 marks				
		Importance of bank.	2 marks				
	iii.	Any five functions of Reserve Bank of India.	5				
		1 mark for each	(1 mark * 5)				
Q.3	i.	Project finance in Indian economy.	4				
		Any four points 1 mark for each	(1 mark * 4)				
	ii.	Principles of lending.	6				
		Any 6 points 1 mark for each	(1 mark * 6)				
OR	iii.	Write short on:	6				
