



K16U 1406

Reg. No. :

Name :

V Semester B.A. Degree (CCSS – Supple./Imp.) Examination, Nov. 2016
CORE COURSE IN ECONOMICS/DEVELOPMENT ECONOMICS
5B09 ECO : Modern Banking
(2011 and Earlier Admissions)

Time : 3 Hours

Total Weight : 30

PART – A

- I. Choose the correct answer. Weightage for a bunch of 4 questions is 1.
- 1) Which of the following instruments of credit control adopted by RBI is qualitative in nature ?
 - a) Moral suasion
 - b) Bank rate
 - c) Variable reserve ratio
 - d) None of the above
 - 2) Currency notes are issued by the RBI under the signature of
 - a) President of India
 - b) Secretary Ministry of Finance
 - c) Finance Minister
 - d) Governor of RBI
 - 3) The apex institution in the matter of Agricultural finance is
 - a) RRB
 - b) NABARD
 - c) SIDBI
 - d) IFCI
 - 4) The bank assigned for identifying potential growth centres in a particular district is
 - a) Lead bank
 - b) Rural bank
 - c) State bank
 - d) Co-operative bank
- II. 5) An example of the very short term financial instruments in India is
 - a) Treasury bill
 - b) Mutual funds
 - c) Call money
 - d) Commercial paper
- 6) Nationalization of RBI was in the year
 - a) 1934
 - b) 1949
 - c) 1961
 - d) 1955

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- 7) The non-banking financial institution under the private section is
- | | |
|----------|---------|
| a) IDBI | b) IFCI |
| c) ICICI | d) IBRD |
- 8) Treasury bills can be purchased by
- Commercial banks
 - Public
 - State Govt.
 - All the above

PART – B
(Short answer questions)

Answer **any ten** questions of the following **not** exceeding **50** words **each**. **Each** question carries **1** weightage.

- What is NBFIs ?
- What do you mean by Global financial crisis ?
- What is debt ?
- What is a Passbook ?
- What is ATM ?
- What is debit card ?
- Explain SIDBI.
- What is banking reforms ?
- What is investment policy ?
- What do you mean by mortgage banks ?
- What is micro finance ?
- Explain crossing of cheques.



PART – C
(Short Essay)

Answer **any five** questions **not** exceeding **150** words **each**. **Each** question carries **2** weightage.

- What are the major money market instruments in India ?
- Explain the functions of a commercial bank.
- What do you know about banker-customer relations ?
- What are the procedures and precautions for opening an account ?
- What are the selective credit control measures taken by the central bank ?
- What are the limitations of credit creation by commercial banks ?
- Distinguish between bank rate and open market operation.

PART – D
(Long Essay)

Answer **any two** questions **not** exceeding **450** words **each**. **Each** question carries **4** weightage.

- Explain the recent developments and innovations in Indian banking system.
 - What do you know about the functions of NBFIs ? Explain the role of NBFIs in India.
 - Mention the rationale for bank nationalization in India. What is its relevance in present global context ?
 - Explain the role and functions of RBI in India.
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