Reg. No. \_\_\_\_\_\_\_\_\_\_\_\_\_



**End Semester Examination – Nov / Dec – 2019**

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| **Code :** | **17BC2015** | **Duration :** | **3hrs** |
| **Sub. Name :** | **BANKING THEORY** | **Max. Marks :** | **100** |

**ANSWER ALL QUESTIONS (5 x 20 = 100 Marks)**

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| **Q. No.** | **Sub Div.** | **Questions** | **Course**  **Outcome** | **Marks** |
| 1. | a. | State the provisions of the Banking Regulation Act regarding :  i) Opening of new branches.  ii) Inspection of banking companies. | CO2 | 5  5 |
| b. | Describe the different types of banks and functions performed by them. | CO1 | 10 |
| **(OR)** | | | | |
| 2. | a. | Define the terms ‘banker’ and ‘customer’ and bring out the relationship that exists between them. | CO1 | 10 |
| b. | Explain the legal position of a banker with regard to a fixed deposit. | CO2 | 10 |
|  |  |  |  |  |
| 3. | a. | Define negotiable instrument. Explain its different kinds. | CO1 | 10 |
| b. | Give a specimen of a cheque and discuss its features. | CO3 | 10 |
| **(OR)** | | | | |
| 4. | a. | Define endorsement. Explain with illustrations the different kinds of Endorsements and bring out their significance. | CO3 | 10 |
| b. | Discuss the features of e-banking and bring out its merits and constraints. | CO1 | 10 |
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| 5. | a. | Mr.Vasanth, who has taken a locker, reports that he has lost the key of the locker. What measure will you take in this regard? | CO4 | 10 |
| b. | Describe the procedure to be followed in regard to safe deposit vault. | CO1 | 10 |
| **(OR)** | | | | |
| 6. | a. | Give a brief account of the different types of institutions, all of which together constitute the Indian banking system. | CO1 | 10 |
| b. | Classify the banks and bring out the salient features of each of them. | CO1 | 10 |
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| 7. | a. | Explain the precautions should a banker generally take while opening an account in the name of a minor. | CO1 | 10 |
| b. | Explain the duties of a paying banker. | CO2 | 10 |
| **(OR)** | | | | |
| 8. | a. | Mr.Kasi purchases a demand draft for Rs.25, 000 from your bank. After two days the purchaser reports that he has lost the draft and wants a duplicate draft to be issued. What steps will you take in this regard? | CO3 | 10 |
| b. | Explain the agency services performed by a banker. | CO1 | 10 |
|  | | **Compulsory**: |  |  |
| 9. | a. | State and explain the bankers obligation to honour the cheques. What risks does he have to face in the case of wrongful dishonor of cheque? | CO2 | 10 |
| b. | Discuss the formalities which a banker has to observe before opening a new account. | CO2 | 5 |
| c. | “All cheques are bills but all bills are not cheques”. Discuss . | CO4 | 5 |