

## **BCOM 2004**

U.G. DEGREE EXAMINATION, JANUARY 2021.

Second Year

Commerce

BANKING THEORY, LAW AND PRACTICE

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE out of Eight questions.

1. Bring out the main functions of Reserve Bank of India?
2. What are those precautions which a banker should adopt before opening an account?
3. What are the features of Fixed Deposit Account?
4. How will you differentiate between General crossing and Special crossing?
5. Explain the circumstances under which a banker may dishonor a cheque.
6. Bring out the role of a collecting banker.

7. Write a note on purchasing and sale of securities by a bank as subsidiary services?
8. Outline the principles of sound lending by commercial banks.

PART B — (4 × 15 = 60 marks)

Answer any FOUR out of Six questions.

9. Describe the role of banks in economic development of a country.
10. Explain the general and special relationship between banker and customer.
11. Elucidate the features and advantages of saving account.
12. Define cheque. Explain the different types of cheques.
13. Discuss the benefits of credit cards.
14. What is secured advance? Explain the general principles of secured advances.