

**B.A. DEGREE END SEMESTER EXAMINATION OCTOBER 2017****SEMESTER – 3: ECONOMICS (CORE COURSE)****COURSE: 15U3CRECO4, MODERN BANKING**

*Common for Regular (2016 Admission) & Supplementary / Improvement (2015 Admission)*

Time: Three Hours

Max Marks: 75

**Part A**Explain **all** questions in one or two sentences.

Each question carries 1 mark.

1. Promissory notes
2. Call rate
3. NPA
4. Core Banking
5. Debit Card
6. Sub-prime lending
7. Usufructuary Mortgage
8. Unit Banking
9. Federal Reserve System
10. Solvency

(1 x 10 = 10)

**Part B**Explain any **eight** of the following in three or four sentences.

Each question carries 2 marks.

11. Electronic Clearing Service (ECS)
12. MICR Code
13. UTI
14. Lien
15. IFCI
16. Cash Credit
17. SIDBI
18. RTGS
19. NEFT
20. Overdraft
21. Marginal Standing Facility

(2 x 8 = 16)

**PART C**Answer any **five** of the following in not more than one page.

Each question carries five marks.

22. Explain about the role of Co-operative Banks in the field of rural credit in India.
23. What is a Garnishee Order? Explain the different aspects of a Garnishee Order.
24. Briefly explain the different instruments of monetary policy.

25. What are the three main objectives of Portfolio Management?
26. Explain the Credit Creation function of a commercial bank.
27. What are the different modes of creating charges by banks?

(5 x 5 = 25)

**PART D**

Answer any **two** of the following in not exceeding four pages.

Each question carries 12 marks.

28. Explain the different kinds of Banker-Customer relationships.
29. Give an outline of the structure and functions of commercial banks in India.
30. Explain the different functions of a Central Bank, with special reference to RBI.
31. Analyse the role of IFCI in the modernization of Indian industry.

(12 x 2 = 24)

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