

B.COM. DEGREE END SEMESTER EXAMINATION OCTOBER/NOVEMBER 2018**SEMESTER –5: COMMERCE (CORE COURSE)****COURSE: 15U5RCOM14: MODERN BANKING**

(Common for Regular 2016 admission & Supplementary 2015 admission)

Time: Three Hours

Max. Marks: 75

SECTION A

*Answer **all** questions. Each question carries **2** marks.*

1. Define low cost deposits accounts.
2. Define reserve banking system.
3. What is demand liabilities?
4. Define NPA.
5. Define capital adequacy ratio.
6. Define lien.
7. What is core banking solution?
8. What is loan repayment holiday?
9. Define special crossing.
10. What is point of sale? (2 x 10 = 20)

SECTION B

*Answer **any five** questions. Each question carries **5** marks.*

11. What is credit creation and how it works?
12. Briefly explain the type of complaints under banking ombudsman.
13. Explain various traditional delivery channels.
14. Why end use of the fund is important in credit monitoring?
15. Elaborate factors for the growth of retail banking in the country.
16. Explain the concept of Business Correspondents Model.
17. Explain 5Cs of the borrower in credit appraisal. (5 x 5 = 25)

SECTION C

*Answer **any three** questions. Each question carries **10** marks*

18. Discuss challenges of rural banking in India.
19. Explain the functions of central bank.
20. Explain prudential norms on income recognition, asset classification and provisioning.
21. Explain the credit appraisal process for issuing vehicle loan.
22. A restaurants owner approaches you, Assistant Manager of Kerala Bank, for the following loans.
Which of the loan(s) you would consider favorably and which would you reject? Give reasons for your decisions.
 - A. Working capital Loan
 - B. Buying Car for the owner

(10 x 3 = 30)