

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF COMMERCE (M.COM.)
EXAMINATION : DECEMBER - 2022
FIRST SEMESTER
Sub: Banking Practices (MCB-111)

Date: 7/12/2022

Total marks: 100

Time: 10.00 am to 1.00 pm

Instruction: All questions are compulsory.

Q.1. Answer the following questions. (Attempt any two) (30)

1. "The relation between banker and customer is primarily that of a debtor and creditor". Explain this statement and illustrate the same with reference to a current and fixed deposit account.
2. What is CIBIL? What are its functions? How it is helpful to bankers?
3. What is 'Asset Liability Management'? What are its objectives?
4. What are an ATM Card, Debit Card and Credit Card? What are the differences between them?

Q.2 Answer the following questions. (Attempt any three) (30)

1. What are the major strategies in reduction of NPA? Explain.
2. What are NEFT and RTGS? What benefits it has brought to customers?
3. What is a convertible and non-convertible currency?
4. Explain the Law of Limitation
5. State and explain ,FCNR and NRO Accounts

Q.3 Write short notes. (Attempt any four) (20)

1. Garnishee Order
2. RTGS
3. NEFT
4. Internet Banking
5. Currency Risk
6. Demand Draft

Q.4A. Answer in one Sentence (Attempt any five) (10)

1. Full form of RTGS
2. Full form of NEFT
3. Full form of NRO
4. Full form of NAV
5. Full form of NIP
6. Define Bank
7. Define Cheque .

Q.4B. Select the correct Alternatives (Attempt any ten) (10)

1. The relations between a banker and a customer and that between a banker and the outside world are regulated by.....
 - a) The Indian Contract Act, 1872
 - b) The Negotiable Instruments Act, 1881 and The Banking Regulation Act, 1949
 - c) The Customer Protection Act, 1986
 - d) All of the above

2. Obligation of a banker to maintain secrecy is applicable to
 - a) Only in case of existing deposit accounts
 - b) Only in respect of existing loan accounts
 - c) Only in case of closed accounts
 - d) All types of deposit/loan accounts (existing/closed)
3. Automatic right to set off arises in case of.....
 - a) Death, insanity or insolvency of the customer
 - b) Receipt of garnishee order
 - c) Receipt of notice of assignment of a customer's credit balance
 - d) All of the above
4. The bank should classify as.....only if the interest due and charged during any quarter not serviced fully within 90 days from the end of the quarter.
 - a) NPI
 - b) HTM
 - c) NAV
 - d) NPA
5.means any user with a personal computer and a browser can get connected to his bank's website to perform any of the virtual banking functions.
 - a) Phone and Mobile Banking
 - b) Internet Banking
 - c) E-Banking
 - d) (b) or (c)
6.is the risk of having insufficient liquid assets to meet the liabilities at a given time.
 - a) Liquidity Risk
 - b) Interest Rate Risk
 - c) Currency Risk
 - d) None of the above
7. Thesystem is primarily meant for large value transactions.
 - a) RTGS
 - b) NEFT
 - c) Demand Draft
 - d) Crossed Cheque
8. In locker facility banker is the lessor whereas in the article facility banker is the bailee.
 - a) True
 - b) False
 - c) Can't say
 - d) None of the above
9. A general lien cannot arise in respect of property of a customer pledged as a security for a particular debt.
 - a) True
 - b) False
 - c) Can't say
 - d) None of the above
10. The Law of Limitation Act extends to the whole of India along with the state of Jammu and Kashmir.
 - a) True
 - b) False
 - c) Can't say
 - d) None of the above
11. A credit card is a small paper card issued to users as a system of payment.
 - a) True
 - b) False
 - c) Can't say
 - d) None of the above
12. Spot exchange rate is the current exchange rate.
 - a) True
 - b) False
 - c) Can't say
 - d) None of the above