

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF COMMERCE (M.COM.)
EXAMINATION : MAY 2023
FIRST SEMESTER
Sub: Banking Practices (MCB-111)

Date: 30/05/2023

Total Marks :60

Time: 10.00am to 12.30 pm

Instructions:

- 1) All questions are compulsory.
- 2) Figures to the right indicate full marks.

Q.1 Answer the following questions. (Attempt any two) (32)

1. What is Internet Banking? What major services are provided through it?
2. "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.
3. What is CIBIL? What are its functions? How it is helpful to bankers?
4. What are the various types of relationships between the banker and a customer? Explain in brief.

Q.2 Answer the following. (Attempt any one) (08)

1. What is Electronic Clearing System? How it is helping customers?
2. What are NEFT and RTGS? What benefits it has brought to customers?
3. What are the major strategies in reduction of NPA? Explain.

Q.3 Write short notes. (Attempt any two) (10)

1. ATM Cards
2. Garnishee Order
3. Currency/ Forex Risk
4. The Law of Limitation

Q.4 Select the Correct Alternatives (Attempt Any Ten) (10)

- The Law of Limitation Act extends to the whole of India along with the state of
- 1) Jammu and Kashmir.
 - a) True
 - b) False
 - c) Some times true
 - d) Some times false
 - 2) The foreign exchange rate is determined by demand for and supply of foreign exchange.

- a) True
c) Some times true
- b) False
d) Some times false
- 3) Thesystem is primarily meant for large value transactions
a) IMPS
c) RTGS
- b) NEFT
d) All of the above
- 4) Thesystem is primarily meant for large value transactions
a) IMPS
c) RTGS
- b) NEFT
d) All of the above
- 5) In a Garnishee Order the banker on whom garnishee order served is
a) Judgment Debtor's Creditor
c) Judgment Creditor's Debtor
- b) Judgment Creditor's Creditor
d) Judgment Debtor's Debtor
- 6) The obligation of a banker to maintain secrecy is applicable to.....
a) Only in case of existing deposit accounts
c) Only in respect of loan accounts
- b) Only in case of closed accounts
d) All types of deposit/loan accounts (existing/closed)
- 7) Interest rate risk is the risk where changes in market interest rates might favourably affect a bank's financial condition.
a) True
c) Some times true
- b) False
d) Some times false
- 8) Any amount due to the bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the bank.
a) True
c) Some times true
- b) False
d) Some times false
-is the risk of having insufficient liquid assets to meet the liabilities at a given time. (Liquidity Risk)
- 9) a) Liquidity Risk
c) Interest rate Risk
- b) Currency Risk
d) All of the above
- 10) 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
c) NAV
- b) HTM
d) NPA
- 11) The frequency of dynamic liquidity position is
a) Fortnightly
c) Monthly
- b) Weekly
d) Quarterly
- 12) The relationship between a safe deposit locker holder in a bank and the bank is that of.....
a) lessor and lessee
c) debtor and creditor
- b) bailor and bailee
d) creditor and debtor
