

**TILAK MAHARASHTRA VIDYAPEETH, PUNE**  
**MASTER OF COMMERCE (M.COM)**

**EXAMINATION: DECEMBER - 2023**

**FIRST SEMESTER**

**Sub: Banking Practices (MCB-111)**

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**Date: 07/12/2023**

**Total marks: 60**

**Time: 10.00 am to 12.30 pm**

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**Instruction:** 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 'Asset Liability Management'? What are its objectives?
2. What are an ATM Card, Debit Card and Credit Card? What are the differences between them?
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 questions. (Attempt any one) (08)**

1. What are NEFT and RTGS? What benefits it has brought to customers?
2. What is Electronic Clearing System? How it is helping customers?
3. Explain the banker's duty of secrecy of customer's account.

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

1. ATM Cards
2. The Law of Limitation
3. Garnishee Order
4. FCNR and NRO Accounts

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

1. Spot exchange rate is the current exchange rate.
  - a) True
  - b) False
  - c) Can't say
  - d) None of the above
2. 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
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 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
5. The .....system is primarily meant for large value transactions
  - a) IMPS
  - b) NEFT
  - c) RTGS
  - d) All of the above
6. ....is the risk of having insufficient liquid assets to meet the liabilities at a given time. (Liquidity Risk)
  - a) Liquidity Risk
  - b) Currency Risk
  - c) Interest rate Risk
  - d) All of the above
7. ....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 & Mobile banking
  - b) Internet Banking
  - c) E-Banking
  - d) Both (b) & (c)
8. 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
9. In a Garnishee Order the banker on whom garnishee order served is .....
  - a) Judgment Debtor's Creditor
  - b) Judgment Creditor's Creditor
  - c) Judgment Creditor's Debtor
  - d) Judgment Debtor's Debtor
10. The frequency of dynamic liquidity position is .....
  - a) Fortnightly
  - b) Weekly
  - c) Monthly
  - d) Quarterly
11. The obligation of a banker to maintain secrecy is applicable to.....
  - a) Only in case of existing deposit accounts
  - b) Only in case of closed accounts
  - c) Only in respect of loan accounts
  - d) All types of deposit/loan accounts (existing/closed)
12. The relationship between a safe deposit locker holder in a bank and the bank is that of.....
  - a) lessor and lessee
  - b) bailor and bailee
  - c) debtor and creditor
  - d) creditor and debtor

