

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.B.A. DEGREE EXAMINATION – BUSINESS ADMINISTRATION

FIFTH SEMESTER – NOVEMBER 2009

BU 5400 - BANKING

Date & Time: 12/11/2009 / 9:00 - 12:00 Dept. No.

Max. : 100 Marks

PART – A

Answer ALL the questions.

(10X 2=20)

1. What is Branch Banking?
2. What do you mean by a Clearing House?
3. What is credit control?
4. Write a short note on Crossing of cheques.
5. What is Smart Card?
6. What is right of set-off?
7. State the meaning of 'Holder in Due course'
8. What is e-banking?
9. When a banker is an agent for collection
10. Write a short note on Endorsement.

PART – B

Answer any FIVE questions.

(5X 8=40)

11. What are the duties of collecting banker? Explain.
12. Define crossing. Explain the importance of crossing of cheques.
13. Explain any four methods of qualitative credit control by RBI
14. Is a banker legally obliged to maintain secrecy with regard to the state of his customer's account? In what case is a disclosure justified?
15. Explain the following with examples:-
 - a) Wrong entries in the pass book that favour a customer
 - b) Wrong entries in the pass book that favour a banker.
16. What is credit creation? Explain the limitations of credit creation.
17. What do you mean by Debit Card? What are its benefits?
18. Under what circumstances a banker is justified in refusing to honour a customer's cheque?

PART – C

Answer any TWO questions.

(2X 20=40)

19. Define commercial Bank. Explain the role of Commercial Banks in economic development of a nation
20. What is merchant banking? Examine the services rendered by a Merchant bank.
21. a) Enumerate the promotional functions of RBI.
b) Why the RBI is called lender of last resort? What facilities are granted by RBI in this capacity?
