

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2022  
(Fifth Semester)

Branch – COMMERCE (ACCOUNTING & FINANCE)

BANKING & FINANCIAL INSTITUTIONS

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 x 1 = 10)

1. Financial institutions are also known as \_\_\_\_\_.  
a) Financial organization  
b) Financial intermediaries  
c) Financial system  
d) Any of the above
2. Which of the following is not a regulatory institution in Indian financial system?  
a) RBI  
b) CIBIL  
c) SEBI  
d) IRDA
3. In which year was the Banking Regulation Act passed?  
a) 1949  
b) 1955  
c) 1959  
d) 1969
4. At which of the following cities is the Head Office of Reserve Bank of India located?  
a) Mumbai  
b) New Delhi  
c) Kolkata  
d) Dehradun
5. NBFIs refers to .....  
a) Non-Banking Financial Industries  
b) Non-Banking Financial Institution  
c) Net Banking Financial Industries  
d) Net Banking Financial Institutions
6. Which one among the following has not started commercial banking?  
a) SIDBI  
b) IDBI  
c) ICICI  
d) UTI
7. The rupee Note contain the signature of -----  
a) Finance Secretary, GOI  
b) Chairman, SBI  
c) Governor, RBI  
d) Finance Minister, GOI
8. Zero balance account is generally allowed to be open for -----  
a) Salaried Class  
b) Business Man  
c) Foreign Customers  
d) Children
9. What was the State Bank of India called before it was created through SBI Act?  
a) Bank of Hindustan  
b) Bank of Madras  
c) Imperial Bank of India  
d) Imperial Bank of Calcutta
10. Which of the following is not an asset held by Commercial Banks?  
a) Bills of Exchange  
b) Current Account Deposits  
c) Money Lent at short Notice  
d) Credit Balances with the Reserve Bank

Cont...

**SECTION - B (35 Marks)**

Answer **ALL** Questions

**ALL** Questions Carry **EQUAL** Marks (5 x 7 = 35)

11. a Show the relationship between Banker and a Customer.  
OR  
b Explain the functions of Commercial Banks.
12. a Discuss the Types of Negotiable instruments.  
OR  
b Summaries the duties of Collecting Banker.
13. a Describe the Advantages of unsecured Advances.  
OR  
b What are the Precautions to be taken by the banker against the goods?
14. a State the merits and demerits of Electronic banking.  
OR  
b Explain the role and functions of RBI.
15. a Bring out the lending policies of financial institutions in India.  
OR  
b Explain the Functions of the NHB.

**SECTION - C (30 Marks)**

Answer any **THREE** Questions

**ALL** Questions Carry **EQUAL** Marks (3 x 10 = 30)

16. Discuss the role of commercial bank in economic development.
17. Discuss in detail about Procedure of Collection of Cheque.
18. Explain the principles of Sound Lending.
19. What do you mean by Ombudsman? Explain its powers of officers.
20. Explain the types of Financial and promotional assistance provided to the Industry by the IDBI.

Z-Z-Z

END