

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**BVoc DEGREE EXAMINATION MAY 2024
(First Semester)**

Branch – BANKING, STOCK & INSURANCE

FUNDAMENTALS OF BANKING

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	State which Bank having maximum number of branches in India. a) Reserve Bank of India b) State Bank of India c) Punjab National Bank d) Bank of Baroda	K1	1
	2	Indicate with whom does the banker has a statutory obligation. a) Honour customers cheque b) Exercise lien c) Maintain secrecy of his customers accounts d) Honour customers bill	K2	1
2	3	What is Pledge? a) Advance against goods b) Hypothecation of goods c) Bailment of goods as security d) open limits	K1	2
	4	Mention the reasonable period allowed in India for the presentation of a Cheque. a) 1 Year b) 3 Months c) Depending upon banking custom d) 9 Months	K2	2
3	5	When did the Reserve Bank of India was established? a) April 1, 1935 b) July 12, 1982 c) September 30, 2005 d) May 26, 2006	K2	3
	6	State the principle of sound lending? a) Safety b) Profitability c) Security d) credit	K1	3
4	7	What is a dead Cheque? a) Stale b) Bearer c) Postdate d) Pre dated	K1	4
	8	State who have the power to countermand the Cheque. A) Drawer b) Drawee c) Endorser d) endorsee	K2	4
5	9	When a collecting banker is given the statutory protection. a) Only when he acts as a holder b) Only when he act as a holder for value c) Only when he act as a holder in due course d) Only when he act as an agent.	K1	5
	10	What can a Central Bank do with the bank rate during inflation? a) Buys b) sells c) Increase d) raises.	K2	5

Cont...

SECTION - B (35 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Bring out the Role and Functions of Banks.	K4	CO1
	(OR)			
	11.b.	<i>Narrate about the Small and Payment Banks.</i>	K2	
2	12.a.	State the various Types of Deposits.	K2	CO2
	(OR)			
	12.b.	Sketch out the importance of Pass Book.	K2	
3	13.a.	Describe the Principles of Sound Lending.	K3	CO3
	(OR)			
	13.b.	Develop the charging security of Mortgage.	K4	
4	14.a.	Describe the characteristics and Types of Cheque.	K2	CO4
	(OR)			
	14.b.	State the Domestic payment System of NEFT and RTGS.	K2	
5	15.a.	Sketch out the Functions of Reserve Bank of India.	K2	CO5
	(OR)			
	15.b.	How Credit Control Measures are followed in Banking industry?	K2	

SECTION -C (30 Marks)

Answer ANY THREE questions

ALL questions carry EQUAL Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Enumerate the various Banking Structure in Indian Banking System.	K2	CO1
2	17	Examine the various Relationship Between Bank and Customer.	K2	CO2
3	18	Trace out the Various Modes of Charging Security.	K3	Co3
4	19	Highlight the Statutory Protection to a Paying Banker.	K2	CO4
5	20	Point out the importance of CRR, SLR, Repo rate and Reverse Repo rate.	K4	CO5

Z-Z-Z

END