



2018 III 21

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Seat No. :

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Time : 2½ Hours

**BANKING**  
(New Pattern)

Subject Code

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Total No. of Questions : 22

(Printed Pages : 3)

Maximum Marks : 55

- INSTRUCTIONS:**
- 1) The question paper consists of 22 questions.
  - 2) Marks for **each** question are indicated against it.
  - 3) Answer **each** "PART" on a **fresh** page.
  - 4) All questions are **compulsory**.
  - 5) 'PART – A' – are very short answer type questions.  
'PART – B' – Questions should be answered in about **30 words each**.  
'PART – C' – Questions should be answered in about **60 words each**.  
'PART – D' – Questions should be answered in about **100 words each**.

## PART – A

1. Name the body that has the authority to receive timely returns from all the Banking companies in India. [1]
2. What is the minimum paid-up share capital and reserves prescribed for an Indian Banking Company which is operating in a remote area in Bihar ? [1]
3. Mrs. Simran Coelho, has deposited her gold ornaments in a locker at the State Bank of India-Panaji. Identify the legal position of the Banker in this case. [1]
4. In what capacity does the banker act when he provides information about the credit-worthiness of his customer to a third party ? [1]
5. What is the difference between the market value of securities and the amount advanced by a banker against them termed as ? [1]



### PART – B

6. Draft a neat proforma of the Balance Sheet of a Banking Company as required under the Banking Regulation Act, 1949. [2]
7. How is a cost freight and insurance price quotation different from a free alongside ship price quotation ? [2]
8. A Garnishee order served on a banker not only imposes some obligations but also confers certain rights on him. Discuss any 2 rights that the Banker can exercise in this regard. [2]
9. A Banker is obliged to maintain secrecy about his customers account, yet in certain situations he is justified in disclosing details. Highlight any 2 such situations where in disclosure of bank details is allowed. [2]
10. How do the following factors help a banker in examining a loan proposal ?
  - a) purpose
  - b) security.[2]
11. Ms. Shalini Khopre, has recently completed her Dress Designing Diploma and has approached your bank for a loan of rupees seven lakhs in order to open a Boutique. As a Branch Manager, how would you consider her loan proposal ? [2]

### PART – C

12. Explain the following schedules as appearing in the Final Accounts of a Banking Company.
  - a) Fixed Assets
  - b) Investments
  - c) Interest Earned.[3]
13. The Banking Regulation Act, 1949 governs the efficient working of Banks in India. In this regard, highlight any six objectives of the Banking Regulation Act. [3]
14. 'Exporters consider a revocable letter of credit as risky and unsecure as compared to an irrevocable letter of credit'. Comment. [3]
15. Mr. Robert Da Costa appoints the Central Bank Mapusa Branch to make payment of his insurance premiums to the Life Insurance Corporation of India Mapusa Branch on his behalf. As a Branch Manager, what precautionary measures will you take while discharging this duty ? [3]





16. Bring out any 3 differences between mortgage and pledge. [3]
17. 'Bright Lights', a small scale industry, manufacturing LED lights has approached your bank for a loan. As a Branch Manager, what factors will you consider while disbursing the loan ? [3]

PART – D

18. State any 4 activities prohibited for a Banking Company in India and the exceptions to the same. [4]
19. The ECGC fosters India's foreign trade transactions by offering a number of policies and financial guarantees to businessmen. Elaborate. [4]
20. 'International Trade' is the core theme in conducting business in the current era of globalisation. In this regard, draw out any 4 benefits of International Trade to the economy. [4]
21. Is the Banker allowed to exercise his right of general lien under the given situations . Justify your answer with suitable reasons. [4]
- a) Safe custody deposits
  - b) Goods coming into hands of the Banker
  - c) Securities jointly held by borrower and third party
  - d) A life insurance policy.
22. Describe the suitability of the following securities as cover against a bank advance. [4]
- a) Real estate
  - b) Shares of a public company.

OR

Discuss the suitability of the following types of securities as a cover for granting bank advances.

- a) Document of title to goods
- b) Government securities.