



**Avinashilingam Institute for Home Science and Higher Education for Women**

(Deemed to be University under Category 'A' by MHRD, Estd. u/s 3 of UGC Act 1956)

Re-accredited with A+ Grade by NAAC. Recognized by UGC Under Section 12B

Coimbatore - 641 043, Tamil Nadu, India

**Continuous Internal Assessment Test II- OCT2024**

**SEMESTER III**

**Class : II UG**

**Time: 2hrs**

**Major : B.Com/ B.Com PA/ B.Com Cs**

**Max. Marks: 60**

**23BCOC07/23BCPC07/23BCRC07 - Banking Theory Law and Practice**

**Course Outcomes:**

CO1: Incorporate the banking services to industrial requirement.

CO2: Acquire the knowledge on loan procedures.

CO3: Handle the queries regarding cheques effectively.

CO4: Employ the application of e-banking services.

CO5: Undertake research work on evaluating the performance and services of banking sector.

**PART-A**

**(6 x1=6)**

**Choose the correct answer**

1. Which of the following section of Negotiable Instrument Act, 1881 describes about "Cheque" **CO3:K1**
  - a) Section 4
  - b) Section 5
  - c) Section 7
  - d) Section 6
2. A paper instructing the bank to pay a specific amount from a person's account to another person in whose name it has been issued is known as **CO3: K1**
  - a) cash
  - b) cheque
  - c) passbook
  - d) currency
3. Rediscounting and giving advance the central bank charges interest rate which is known as. **CO4:K1**
  - a) Cash Reserve Ratio (CRR)
  - b) Statutory Liquidity Ratio (SLR)
  - c) Bank Rate
  - d) Credit
4. Which of the following is not an asset of a bank **CO4:K1**
  - a) Notes and Small coins
  - b) Overdue recurring deposits
  - c) Short term loans
  - d) Staff advances
5. In credit card what is the grace period of payment **CO5:K1**
  - a) 10-15 days
  - b) 15-30 days
  - c) 15-45 days
  - d) 45-60 days
6. With respect to Indian banking transactions, NEFT stands for **CO5:K1**
  - a) National Exchange of Funds Transfer
  - b) National Electronic Financial Transfer
  - c) Net Electronic Fund Transfer
  - d) National Electronic Funds Transfer

**PART-B**

**(3X6=18)**

**Answer the following Questions.**

**(Answer should not exceed 400 words)**

- 7 a) Describe the term collecting banker as agent. **CO3: K2**

(OR)

  - b) Discuss the various duties of collecting banker. **CO3: K2**
- 8 a) Describe about loans and forms of loans. **CO4: K2**

(OR)

  - b) Discuss the various types of securities. **CO4: K3**
- 9 a) Explain the benefits of Electronic Banking Services. **CO5: K3**

(OR)

  - b) Discuss the various types of Electronic Banking Services **CO5: K3**

**PART- C**

**(3X12=36)**

**Answer the following Questions.**

**(Answer should not exceed 800 words)**

- 10 a) Explain the precautions taken by the paying banker. **CO3: K2**

(OR)

  - b) List out the occasions on which negligence has said to have happened on part of a collecting banker. **CO3:K3**
- 11 a) Explain the principles of lending secured and unsecured loans. **CO4: K3**

(OR)

  - b) Elaborate the rights and duties of mortgager. **CO4: K3**
- 12 a) Write a detail note on a) NEFT b) UPI **CO5:K3**

(OR)

  - b) Describe the conditions under which the protection is given to the collecting banker. **CO1:K3**

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