



Avinashilingam Institute for Home Science and Higher Education for Women

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

Re-accredited with 'A++' Grade by NAAC. CGPA 3.65/4, Category I by UGC

Coimbatore - 641 043, Tamil Nadu, India

Continuous Internal Assessment Test I – February 2025

Semester-II

Class : I PG

Major : MBA/MBA IT

Time: 2 Hours

Maximum Marks: 60

Inter Disciplinary Course

23MC0I02- Commercial Banking Operations

Course Outcomes:

At the end of the course, students will:

- 1: Proficiency in understanding the operations of the negotiable instrument
- 2: Acquisition of knowledge in understanding the banker and customer relationship
- 3: Understand the rights and duties of collecting bankers and paying bankers
- 4: Understand on various types of bank accounts
- 5: Gain knowledge on innovative banking products

Part - A

Choose the correct answer

6 x 1 = 6

1. The document drawn by a debtor on the creditor agreeing to pay a certain sum is called
a) Cheque b) Promissory Note c) Bill of Exchange d) Draft CO1K1
2. The endorsement which is not a valid one
a) Partial Endorsement b) Restrictive Endorsement
c) Facultative Endorsement d) Conditional Endorsement CO1K1
3. A Cheque which is not crossed is called
a) Uncrossed Cheque b) Open Cheque c) Order Cheque d) Bearer Cheque CO2K1
4. The banker has a statutory obligation to
a) Honour Customer's Cheques b) Exercise Lien
c) Maintain secrecy of his customer's accounts d) Honour Customers' Bills CO2K1
5. In executing the standing instructions, there exists a relationship of
a) Debtor and Creditor b) Trustee & Beneficiary CO2K1
c) Bailee and Bailor e) Agent and Principal
6. A collecting banker is given the statutory protection only when he acts as
a) A Holder b) A Holder in Value c) A Holder in due Course d) An Agent CO3K1

Part - B

Answer all the questions

3 x 6 = 18

Answer should not exceed 400 words or two pages

7. a) What is a Negotiable Instrument? Explain its different kinds. CO1K3
(Or)
7. b) Define Bills of Exchange and state its features. CO1K4
8. a) Explain 'Banker' and its functions. CO2K3
(Or)
8. b) Discuss the various types of Banks. CO2K3

9. a) What are the precautions to be taken by a paying Banker. CO3K3
(Or)
9. b) Elaborate 'Holder in Due Course' and explain its significance CO3K4

Part - C

Answer all the questions

3 x 12 = 36

Answer should not exceed 800 words or four pages

10. a) Define Endorsement and explain the different kinds of endorsements with illustrations. CO1K4
(Or)
10. b) Explain crossing and various types of crossing of cheques. CO1K4
11. a) Explain the terms banker and customer and bring out the relationship that exists between them. CO2K4
(Or)
11. b) Elaborate Banker's lien? When can he exercise such a lien. CO2K3
12. a) Discuss the statutory protection granted to a collecting banker in India. CO3K3
(Or)
12. b) Explain the duties and responsibilities of a collecting Banker. CO3K4

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