

FIFTH SEMESTER B.Com. DEGREE EXAMINATION, NOVEMBER 2019

(CUCBCSS—UG)

B.Com.

BCM 5B 10—BANKING AND INSURANCE SPECIALIZATION-I BANKING SERVICE
MANAGEMENT

(2014 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part A

*Answer all the questions.
Each question carries 1 mark.*

A. Fill in the Blanks :

- 1 _____ is a person to whom the execution of a will is entrusted by the testator.
- 2 _____ is a legal bar against honouring cheques.
- 3 _____ is a rule which states that the first item on the debit side shall be cancelled by the first item on the credit side.
- 4 _____ is an account opened by business people.
- 5 _____ is effected by a mere delivery of documents of title to property to the mortgagee.

B. Multiple Choice :

- 6 Right of set off is nothing but a :

(A) Right to retain.	(B) Right to appropriate.
(C) Right to combine.	(D) Right to sell.
- 7 A guardian appointed by the Court is called :

(A) Legal guardian.	(B) Natural guardian.
(C) Testamentary guardian.	(D) None of these.
- 8 While accepting valuables for safe custody the banker acts as a :

(A) Agent.	(B) Bailee.
(C) Pledgee.	(D) Creditor.

Turn

9 A permanent arrangement by which a customer is allowed to borrow money upto a certain limit:

- (A) Loan.
- (B) Overdraft.
- (C) Cash credit.
- (D) Discounting of bills.

10 Under which of the following situations a bank can be wound up ?

- (A) When it is unable to pay its debts.
- (B) When it fails to submit returns.
- (C) When it fails to comply with the directions of RBI.
- (D) None of these.

(10 × 1 = 10 marks)

Part B

*Answer any eight questions.
Each question carries 2 marks.*

- 11 What are doubtful assets ?
- 12 What are early warning signals ?
- 13 What is an overdraft ?
- 14 What is off shore banking ?
- 15 Who are lunatics ?
- 16 What do you mean by venture capital financing ?
- 17 What is a lead bank ?
- 18 What are the features of fixed deposit account ?
- 19 What is a garnishee order ?
- 20 What is lien ?

(8 × 2 = 16)

Part C

*Answer any six questions.
Each question carries 4 marks.*

- 21 What are the precautions to be taken by a banker while opening account with trust ?
- 22 What are the circumstances in which a cheque may be dishonoured ?
- 23 What are the duties of a banker ?

- 24 Distinguish between loan and overdraft.
- 25 What are the benefits of pledge ?
- 26 What are the precautions to be taken by a banker while disclosing details of account of a customer ?
- 27 What are the classification of assets of banks ?
- 28 What are the powers of RBI ?

(6 × 4 = 24 marks)

Part D

Answer any two questions.

Each question carries 15 marks.

- 29 What are the different types of early warning signals with respect to management non-performing assets ?
- 30 What are the precautions to be taken by a banker while opening an account in the name of minor and lunatics ?
- 31 Which are the different modes of creating charge over securities ?

(2 × 15 = 30 marks)