

(NO. OF PAGES: 2)

(FOR THE CANDIDATES ADMITTED

23UPA5E1

DURING THE ACADEMIC YEAR 2023-2024 ONLY)

REG.NO. :

N.G.M. COLLEGE (AUTONOMOUS): POLLACHI

END-OF-SEMESTER EXAMINATIONS: NOVEMBER 2025

B. Com (PA)

MAXIMUM MARKS: 75

SEMESTER-V

TIME : 3 HOURS

PART - III

BANKING THEORY LAW AND PRACTICE

SECTION – A

(10X1= 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS

(K1)

1. What is the primary function of a commercial bank?
 - a. Printing currency
 - b. Accepting deposits and lending loans
 - c. Collecting taxes
 - d. Issuing licenses
2. Which e-banking service allows real-time transfer of funds above ₹2 lakhs?
 - a. NEFT
 - b. IMPS
 - c. RTG
 - d. UPI
3. The crossing of a cheque ensures _____
 - a. Immediate payment in cash
 - b. Deposit only into a bank account
 - c. Endorsement to third party
 - d. Cancellation of cheque
4. A paying banker is one who _____
 - a. Receives deposits
 - b. Opens new account
 - c. Makes payment on cheques drawn by customers
 - d. Collects loan installments
5. A loan given for a specific period with a lump sum repayment is called _____
 - a. Term loan
 - b. Cash credit
 - c. Overdraft
 - d. Working capital loan

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. What is the main function of a bank?
7. List any two functions of the Reserve Bank of India.
8. Define fixed deposit account.
9. What is meant by the term “payment in due course”?
10. Define pledge in banking terms.

SECTION – B

(5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)

11. a) Describe the meaning and importance of banking in an economy.

(OR)

- b) What are the reasons behind the privatization of banks in India?

12. a) List the functioning and advantages of Automated Teller Machines (ATMs).

(OR)

- b) Assess the different types of plastic money.

ETHICAL PAPER

(CONTD...2)

13. a) Sketch the legal relationship between a banker and a customer.

(OR)

b) Examine the essential features of a cheque.

14. a) List the duties and responsibilities of a collecting banker in the collection of cheques?

(OR)

b) Interpret the conditions to be fulfilled for a valid payment?

15. a) Show the precautions should a banker take while granting loan and advances to customers?

(OR)

b) Assess the pros and cons of NPAs in the Indian banking sector?

SECTION – C

(5 X 8 = 40 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K4/K5)

16. a) Classify the different types of banks operating in India. Explain the functions of each type.

(OR)

b) Analyze the contribution of banks to economic development with reference to India.

17. a) Discuss the role of the Central Bank in controlling credit and maintaining monetary stability.

(OR)

b) Explain the functioning and the security concerns in Payment Gateways in online transactions.

18. a) Distinguish between the general and special relationships between banker and customer with suitable examples. **(OR)**

b) Explain the role of Banking Ombudsman Scheme in India in resolving banking disputes.

19. a) Discuss the precautions a collecting banker must take to ensure protection under the Negotiable Instruments Act. **(OR)**

b) Explain the process of payment of cheques by a banker and the conditions to be fulfilled.

20.a) Enumerate the various types of loans and advances provided by banks with suitable examples.

(OR)

b) Explain the relevance of Basel III norms in strengthening the capital structure and risk management of banks.
