

**B.B.A. (CBCS) DEGREE EXAMINATION, APRIL 2021**  
**THIRD SEMESTER**  
**BUSINESS ADMINISTRATION - MAIN**  
**SKILL BASED SUBJECT – INTRODUCTION TO BANKING**  
**(For those who joined in July 2017 onwards)**

Time: Three hours

Maximum : 75 marks

---

**Section – A (10X1=10 Marks)**

**Answer all the questions**

**Choose the correct answer**

1. Right to combine two accounts is called:  
(a) Garnishee (b) Lien (c) Set-off (d) Rating
2. Banker's lien is an / a  
(a) Bailment of goods (b) Implied pledge (c) Agreement (d) An stoppage
3. The document which can be used only for making local payment is :  
(a) A Cheque (b) A bill of exchange (c) A banker's cheque (d) A draft
4. The safest form of crossing is  
(a) General crossing (b) Special crossing (c) Double crossing (d) A/c payee crossing
5. Capacity of the borrower is determined by:  
(a) Willingness to repay (b) viability of the project (c) managerial ability (d) possession of goods
6. A bridge loan is a loan granted for  
(a) Construction of a bridge (b) meeting short term urgent needs pending availing a term loan  
(c) winding up of the company (d) incorporation of the company
7. Under transfer of property Act, the right of foreclose is conferred upon  
(a) Mortgagee (b) Mortgagor (c) Guarantor (d) Guarantee
8. Letter of continuity should be taken in the case of  
(a) Advances to companies (b) Overdraft or cash credit account (c) Time barred advances  
(d) Accounts of the deceased borrowers.
9. \_\_\_\_\_ refers to mobile-to-mobile payment option.  
(a) E-cheque (b) M-Cheque (c) Truncated Cheque (d) Printed Cheque
10. Banking without direct recourse to the bank is called \_\_\_\_\_ banking  
(a) Virtual (b) MChq (c) Electronic central (d) Smart card

**Section – B (5X5=25 Marks)**

**Answer all the questions, choosing either (a) or (b)**

**Each answer should not exceed 250 words**

11. (a) Elucidate the banking with other business  
Or  
(b) What are the ancillary services offered by the banker?
12. (a) What are the advantages of using printed form of cheque?  
Or  
(b) State the various features of fixed deposit.
13. (a) What are the characteristics of good security?  
Or  
(b) What are the differences between loan and cash credit.
14. (a) Briefly explain the essentials of pledge.  
Or  
(b) What are the difference between Lien and Pledge?
15. (a) Describe the merits of Truncated Cheque?  
Or  
(b) What are the advantages of Real-Time Gross Settlement?

**Section – C (5X8=40 Marks)**

**Answer all the questions, choosing either (a) or (b)**

**Each answer should not exceed 600 words**

16. (a) Explain the various relationships between a banker and a customer.  
Or  
(b) What are the various duties of a banker? Explain in detail.
17. (a) Enumerate the various types of endorsement.  
Or  
(b) What are the differences between cheque and demand draft? Explain in detail.
18. (a) Discuss about the lending policies of commercial banks.  
Or  
(b) Critically evaluate the various forms of cash credit.
19. (a) What are the precautions to be taken by the banker while granting advances.  
Or  
(b) Explain the types of mortgage.
20. (a) Discuss the measures to overcome e-banking issues.  
Or  
(b) What are the advantages and disadvantages of credit cards? Explain.