

Duration: 2 hours

Max. Marks: 60

Instructions:

- *Figures to the right indicate maximum marks.*
- *Question one is compulsory.*
- *Answer any Four from question 2 to question 6.*

Q1. Write a short note on any FIVE of the following: -

(5\*4=20 marks)

- Nationalisation of banks
- Reserve Bank of India
- Pigmy Deposit Scheme
- Demat Account
- Pay Order
- Bank Rate Policy

Q2.

- The Government of India (GOI) appointed the Narsimham Committee-I in 1991 to recommend reforms in the banking system. State any **FOUR** recommendations of the committee. (04 marks)
- State and Explain any THREE methods of granting Loans by Banks. (06 marks)

Q3.

- Explain Creation of Bill of Exchange with the help of an Example. (04 marks)
- State and Explain the Characteristics of a Cheque. (06 marks)

Q4.

- State the cases, the authority of the banker can refuse to honour customer's cheque. (04 marks)
- Discuss the traditional functions of Reserve Bank of India. (06 marks)

Q5.

- Explain how Open Market Operations are used by Reserve Bank of India to wipe out shortage of money in the money market, to influence the term and structure of the interest rate and to stabilize the market for government securities. (04 marks)
- Explain the Role of Commercial Banks in Economic development. (06 marks)

Q6.

- Differentiate between Pledge, Hypothecation and Mortgage. (04 marks)
- What is Crossing of Cheque? Explain the different types of Crossing. (06 marks)

\*\*\*\*\*