

2016

( 1st Semester )

COMMERCE

Paper No. : BC-103

( **Indian Banking System** )

*Full Marks : 70*

*Pass Marks : 45%*

*Time : 3 hours*

( PART : B—DESCRIPTIVE )

( *Marks : 45* )

*The figures in the margin indicate full marks  
for the questions*

Answer **all** questions

1. (a) Give a brief history of the development of Indian banking system.

9

*Or*

- (b) Differentiate between branch banking system and unit banking system.

2. (a) Briefly explain the organizational structure of the State Bank of India. 9

Or

- (b) What are the objectives behind the establishment of the State Bank of India? Explain the working of the SBI. 3+6=9

3. (a) Briefly explain the main provisions of the Banking Regulation Act, 1949. 9

Or

- (b) Explain how the Banking Regulation Act is applicable to the banking companies and public-sector banks.

4. (a) Why have primary agriculture credit societies been not successful? Suggest the measures to improve their workings. 5+4=9

Or

- (b) What are the functions and problems of the regional rural banks? 9

5. (a) Explain the objectives of the Reserve Bank of India. 9

Or

- (b) Explain the achievements of the RBI.

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( 1st Semester )

**COMMERCE**

Paper No. : BC-103

**( Indian Banking System )**

( PART : A—OBJECTIVE )

( Marks : 25 )

*The figures in the margin indicate full marks for the questions*

1. Choose the correct answer by putting a Tick (✓) mark in the brackets provided : 1×5=5

(a) The central cooperative banks came into being as a result of the Cooperative Societies Act of

(i) 1905      (    )

(ii) 1912      (    )

(iii) 1947      (    )

(iv) None of the above      (    )

(b) Which of the following banks was amalgamated with Punjab National Bank in the year 1980?

- (i) Dena Bank ( )
- (ii) New Indian Bank ( )
- (iii) New Bank of India ( )
- (iv) Karur Vysya Bank ( )

(c) In which year did the Banking Commission recommend the establishment of a chain of rural banks in India?

- (i) 1969 ( )
- (ii) 1972 ( )
- (iii) 1975 ( )
- (iv) 1980 ( )

(d) Legal reserve ratio is the sum of

- (i) SLR and CRR ( )
- (ii) SLR and LRR ( )
- (iii) OMD and margin requirement ( )
- (iv) None of the above ( )

(e) The Reserve Bank of India was nationalized in the year

(i) 1935 ( )

(ii) 1947 ( )

(iii) 1948 ( )

(iv) 1955 ( )

2. Fill in the blanks :

1×5=5

(a) ..... Commission recommended the establishment of a separate bank to perform the central banking functions.

(b) The ..... acts as the national clearing house in India.

(c) The difference between the value of security and the amount of loan sanctioned against that security is called .....

(d) The Reserve Bank of India was established as the central bank of India in the year

.....

(e) The State cooperative banks are also called

.....

3. State whether the following statements are *True (T)* or *False (F)* by putting a Tick (✓) mark : 1×5=5

(a) The first presidency bank was established in 1806 as Bank of Calcutta.

( T / F )

(b) The percentage of total deposits of commercial banks kept in reserve with the RBI is called legal reserve ratio.

( T / F )

(c) The IFCI and UTI are the two subsidiaries of Industrial Development Bank of India.

( T / F )

(d) Initially five RRB's were set up on October 2, 1975.

( T / F )

(e) Higher the bank rate, higher will be the credit creation by the commercial banks.

( T / F )

4. Write short notes on the following :

2×5=10

(a) NABARD

(b) Objectives of the State Bank of India



(c) The District Central Cooperative Bank

(e) RBI as Lender of Last Resort

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