

**2 0 1 8**

( 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*

1. (a) Explain different types of banking system. 9

*Or*

- (b) Give an account on the history of the development of Indian banking system. 9

2. (a) Briefly explain the objectives of the SBI. How can these objectives be achieved through different functions? 4+5=9

Or

- (b) Discuss the organizational structure of the State Bank of India. 9

3. (a) Explain how the Banking Regulation Act is applicable to the public sector banks. 9

Or

- (b) Discuss, in brief, the banking legislation in India. 9

4. (a) Examine the structure of cooperative banks in India. 9

Or

- (b) What is the Apex Bank for cooperative banks? How does the Apex Bank channelize the funds to the rural areas? 2+7=9

5. (a) State the instruments of credit control by the RBI. 9

Or

- (b) What are the functions of the RBI? Explain. 9

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**COMMERCE**

Paper No. : BC-103

**( Indian Banking System )**

( PART : A—OBJECTIVE )

( Marks : 25 )

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

Answer **all** questions

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

(a) The first development bank was established in India in

(i) 1938      (    )

(ii) 1948      (    )

(iii) 1949      (    )

(iv) 1969      (    )

- (b) The Imperial Bank of India was renamed as the
- (i) Reserve Bank of India ( )
  - (ii) Punjab National Bank ( )
  - (iii) State Bank of India ( )
  - (iv) Bank of India ( )
- (c) The Apex Bank that provides finance for agricultural and rural development is
- (i) RBI ( )
  - (ii) EXIM Bank ( )
  - (iii) Regional Rural Bank ( )
  - (iv) NABARD ( )
- (d) The Banking Regulation Act is applicable on
- (i) public sector banks only ( )
  - (ii) private sector banks only ( )
  - (iii) cooperative banks only ( )
  - (iv) All of the above ( )
- (e) Open market operations deal with
- (i) purchase of securities ( )
  - (ii) sales of securities ( )
  - (iii) both purchase and sales of securities ( )
  - (iv) neither purchase nor sale of securities ( )

2. Fill in the blanks :

1×5=5

(a) The facility of withdrawing more money from a current account than what is deposited

is called .....

(b) Monetary Policy of India is formulated and

administered by .....

(c) Seven banks were nationalized as subsidiaries

of SBI in .....

(d) According to the Indian Banking Act, 1949, a bank which is legally bound to keep a certain ratio of deposits with themselves in the form of liquid assets is known as

.....

(e) The main sponsors of regional rural banks are

.....

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

(a) SBI and its subsidiaries are known as SBI group.

( T / F )

(b) There should be three directors to represent the farmers, workers and artisans in the Board of Director of a bank.

( T / F )

(c) No company can carry on business of banking in India unless it holds a license issued by RBI.

( T / F )

(d) Regional rural banks are private sector banks.

( T / F )

(e) Monetary Policy of India is issued by SBI.

( T / F )

4. Write short notes on the following :

2×5=10

(a) Foreign banks

(b) Bankers bank



(c) SLR

(d) Functions of Regional Rural Banks (RRB)

(e) Open market operation

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