



BRAINWARE UNIVERSITY

Course –BCOM

Functions of Banks (Credits and Loans) (BCM201)

(Semester – 2)

Time allotted: 3 Hours

Full Marks: 70

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group –A

(Multiple Choice Type Question)

10 x 1 = 10

1. *Choose the correct alternative from the following*

(i)

Through Paper Currency Act function of issuing currency notes was taken over by

- | | |
|---------------|--------------------|
| a. Government | b. RBI |
| c. SBI | d. Presidency Bank |

(ii) Reserve Bank of India was set up in

- | | |
|---------|---------|
| a. 1835 | b. 1885 |
| c. 1905 | d. 1935 |

(iii) A demand draft is issued by the banks to be valid for

- | | |
|--------------|----------------------|
| a. 12 months | b. 6 months |
| c. 3 months | d. None of the above |

(iv) Indirect Agricultural loans include up to Rs..... to dealers of fertilizers

- | | |
|-------------|------------|
| a. 10 crore | b. 7 crore |
| c. 3 crore | d. 5 crore |

(v) A micro enterprise in manufacturing sector is one where the investment in plant and machinery does not exceed Rs

- | | |
|-------------|-------------|
| a. 10 lakhs | b. 20 lakhs |
| c. 25 lakhs | d. 50 lakhs |

Group – C

(Long Answer Type Questions)

3 x 15 = 45

Answer any *three* from the following

7. (a) What are the legal implications of a pledge? [8]
- (b) Write short note on Credit Monitoring Arrangement. [7]
8. (a) What is NEFT? Write benefits of NEFT. [3 + 5]
- (b) What are the purposes for financing Dairy firms? [7]
9. (a) How do Commercial Banks serve the needs to Exporters? [8]
- (b) Write short notes on Certificates of Deposit. [7]
10. (a) Write 6 guidelines of RBI on portfolio Management Scheme. [6]
- (b) What are the main objectives behind nationalization of Banks in 1969? [5]
- (c) How the Minimum support price is fixed? [4]
11. (a) Define small enterprises in service sector. [2]
- (b) What is the role of SIDBI in MSME sector? [2]
- (c) What are the benefits of performance and credit rating? [6]
- (d) Write 5 features of Credit Guarantee Fund scheme for Micro and Small enterprises. [5]