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**CZ—218—2019**

**FACULTY OF COMMERCE**

**B.Com. (Fourth Semester) EXAMINATION**

**MARCH/APRIL, 2019**

**(CBCS/CGPA Pattern)**

**BANKING AND INSURANCE**

**Paper VII**

**(Indian Banking System : Part II)**

**(MCQ + Theory)**

**(Friday, 15-3-2019)**

**Time : 2.00 p.m. to 4.00 p.m.**

*Time—2 Hours*

*Maximum Marks—40*

- N.B. :-*
- (i) *All questions are compulsory.*
  - (ii) *All questions carry equal marks.*
  - (iii) *First question will carry negative marking.*

**MCQ**

**10**

1. Answer the multiple choice questions :

- (1) Which of the following performs central banking functions ?
  - (A) Reserve Bank of India
  - (B) Indian Bank
  - (C) Punjab National Bank
  - (D) State Bank of India
- (2) Whenever RBI does some open market operations, actually it wishes to regulate which of the following ?
  - (A) Inflation
  - (B) Liquidity in Economy
  - (C) Borrowing Power of Banks
  - (D) None of the above
- (3) When does RBI issue annual policy statement ?
  - (A) January
  - (B) April
  - (C) July
  - (D) October

P.T.O.

- (4) Regional Rural Banks were established under the provisions of an ordinance promulgated on the ..... .  
(A) 26th October, 1975 (B) 26th September, 1975  
(C) 26th September, 1976 (D) 26th October, 1976
- (5) The sponsorship between State Government, Central Government and Sponsor Bank is in the ratio of ..... in respect of Regional Rural Banks in the country.  
(A) 15 : 50 : 35 (B) 50 : 35 : 15  
(C) 35 : 15 : 50 (D) 15 : 35 : 50
- (6) Choose the correct principles of co-operation.  
(A) Voluntary membership  
(B) Equality  
(C) Self-help through mutual help  
(D) All of the above
- (7) The government had appointed a committee to review the progress of co-operative movement in India, under the chairmanship of ..... .  
(A) Sinha Committee (B) Narsimham Committee  
(C) Mr. Maclagan (D) Khusro Committee
- (8) To suggest measures for restructuring of RRBs, the RBI appointed ..... .  
(A) Narsimham Committee (B) Sinha Committee  
(C) Bhandari Committee (D) Khusro Committee
- (9) The First Regional Rural Bank 'Prathama Bank' was sponsored by ..... .  
(A) State Bank of India (B) Syndicate Bank  
(C) Punjab National Bank (D) United Bank of India
- (10) Co-operative Banking is intended to serve ..... .  
(A) Its own members (B) The community as whole  
(C) Both (A) and (B) (D) None of these

**Theory**

2. What is Co-operative Banking ? State its features. 10

*Or*

Explain the major functions of RBI.

3. What is Regional Rural Banks ? Explain the progress and performance of RRB.

*Or*

What is Regional Rural Banks ? Explain the problems of RRBs.

4. Write short notes on (any *two*) : 10

- (a) Objectives of Regional Rural Banks
- (b) Objectives and functions of Urban Co-operative Banks
- (c) Objectives of Banking Sector Reforms
- (d) Any *two* reasons for establishment of RBI.