

Objective

Choose the correct answer from the following:

$$1 \times 20 = 20$$

10. The nature of "promissory note" is-

- It contains an unconditional order to the drawee to pay the payee
- It is drawn on specified banker to pay on demand
- It contains an unconditional promise by maker to pay the payee
- None of the above

11. Which of the following is an example of Branch banking?

- SBI
- RBI
- Both ab and b
- None

12. What is NOT true about the "bills of exchange" ?

- It is an instrument in writing
- It is signed by the maker
- Certain sum of money is mentioned on the instrument
- It contains a conditional order

13. Which of the following is known as plastic money?

- Credit card
- Debit card
- None of the above
- Both A and B

14. In a Promissory Note, how many parties are involved?

- Two
- Three
- Four
- five

15. Which of the following is NOT an example of promissory note?

- "I acknowledge myself to be indebted to B in Rs. 1,000, to be paid on demand, for value received."
- "Mr B, I owe you Rs. 1,000."
- "I promise to pay B or order Rs. 500"
- None of the above

16. What was the State Bank of India called before it was created through SBI Act?

- Bank of Hindustan
- Bank of Madras
- Imperial Bank of India
- Imperial Bank of Calcutta

17. Which among the following is incorrect?

- RBI is the bank of issue
- RBI acts as banker to the Government
- RBI is banker's bank
- RBI does not regulate the flow of credit

18. Banking sector falls under which of the following sectors?

- Service sector
- Industrial sector
- Manufacturing sector
- None

19. The Negotiable Instruments Act, 1881 is an Act to define and amend the law relating to-

- Cheque
- Bill of Exchange
- Promissory Notes
- All of the above

20. The first bank of India 'Bank of Hindustan' was established in the year-

- a. 1880
- b. 1870
- c. 1770
- d. 1775

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(Descriptive)

Time : 2 hrs. 30 min.

Marks : 50

[Answer question no.1 & any four (4) from the rest]

1. What are the powers of RBI under Banking Regulation Act? 10
2. What is a Bank? What are the functions of a bank? 10
3. Briefly explain the features of a Negotiable Instrument 10
4. What is Bailment? What is the duty of a bank as a Bailee? 10
5. Briefly explain the Rights of a Banker 10
6. What are the special types of bank customers? 10
7. What is a Bill of Exchange? Distinct between a Promissory note and a Bill of Exchange. 10
8. Discuss the duties of a banker towards his customer? 10

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