

Register Number :

Name of the Candidate :

**6 3 4 0**

**M.Com. ( Education Management )  
DEGREE EXAMINATION, 2011**

( FIRST YEAR )

( PAPER - V )

**550. BANKING FOR EDUCATIONAL  
INSTITUTION ADMINISTRATORS**

December ]

[ Time : 3 Hours

Maximum : 100 Marks

**SECTION – A** (5 × 8 = 40)

*Answer any FIVE questions.*

*ALL questions carry equal marks.*

1. What are the functions of a central bank?
2. Explain the liability of a banker in case of disclosure of secrecy of customer's account.
3. What are the precautionary measures to be taken by a banker while opening an account of a trustee?

**Turn Over**

4. What are the essentials of a valid endorsement?
5. Explain the factors determining cash reserve.
6. What are the main features of a promissory Note?
7. Distinguish between Holder and Holder in due course.
8. When can a banker close the account of a customer?

**SECTION – B** ( 3 × 20 = 60 )

*Answer any THREE questions.*

*ALL questions carry equal marks.*

9. Explain briefly the functions of commercial banks in India.
10. Distinguish between cheque and bill of exchange.
11. Briefly explain the credit creation.

12. Bring out the precautions to be taken before granting loan against:
  - (i) Real Estate.
  - (ii) Stock Exchange Securities.
13. Explain the circumstances under which a banker can refuse the payment of a customer's cheque.