DE–6859

11

DISTANCE EDUCATION

B.B.A. (Banking) DEGREE EXAMINATION,
DECEMBER 2013.

BUSINESS COMMUNICATION

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Write a short notes on :

    (a) C.W.O

    (b) C.I.F.

    (c) Pespso

    (d) P.S.

2. What is trade enquiry? State the points to the included in writing this letters.

3. List out the main sources of credit information.

4. Write a letter by the supplier to this custumer stating their inability to supply certain goods at the price stated in the order, because of changes in price.

5. What is a complaint letter? State the characteristics of it.

6. What do you mean by collection letter? List out the features of it.

7. Describe briefly the occasions for which a circular letter is drafted.

8. Write a suitable letter to an agent who shows less progress in securing order and is irregular in sending the sales reports.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. What is a Business letter? State the qualities of a good business letter.

10. Write an unfavourable reply to M/S Kannan & Company Bombay – 1 Regarding the credit worthiness of M/S Mari Muthu Bros. Chennai.

11. Write a letter of complaint to your supplier stating that goods which are urgently needed have not been supplied inspite of repeated requests. Since the goods are due for shipment, thereafter cancel the order and sue for losses if goods are not delivered at once.

12. A Businessman writes to the local bank in order to get sanction for an overdraft amounting to ₹ 5 lakhs in his favour, owing to the local festival. Draft his letter to the bank.

13. Draft an agenda for the Annual General Body meetings of the shareholders of a company.

14. Draft a notice calling for a meeting of the managing committee of a college association of which you are the secretary.

15. Describe the essential features of an effective office report.

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DE–6859

DE–6860

12

DISTANCE EDUCATION

B.B.A. DEGREE EXAMINATION, DECEMBER 2013.

Banking

PRINCIPLES OF ECONOMICS

(2005 onwards)

Time : Three hours   Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Explain the methods of measuring national income.

2. State and explain the law of demand.

3. Illustrate the properties of indifference curves.

4. Describe the factors limiting the size of the firm.

5. Distinguish between fixed cost and variable cost.

6. Enumerate the features of a perfectly competitive market.

7. Analyse the technique of kinked demand curve to demonstrate price rigidity under oligopoly.

8. Differentiate rent from Quasi-Rent.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Critically explain Malthusian theory of population.

10. Explain the equilibrium of a consumer with the help of indifference curves.

11. Examine the equilibrium of a firm and industry in a perfectly competitive market.

12. Explain price-output determination under discriminating monopoly.

13. Evaluate Ricardian theory of rent.

14. Examine Keynesian theory of interest.

15. Analyse the marginal productivity theory of profit.

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DE–6860

| DE–6861 | | 13 |

DISTANCE EDUCATION

B.B.A. (Banking) DEGREE EXAMINATION,
DECEMBER 2013.

MONEY AND BANKING

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

Each question carries 8 marks.

Answer to each question not to exceed a page.

1. What are the characteristics of money?

2. What do you mean by the value of money? How would you measure changes in the value of money?

3. What are the institutions of the Indian money market?

4. What are the functions of a commercial bank?

5. Explain the organization and structure of commercial banks in India.

6. Explain the role of the state bank of India in financing industries.

7. What are the essential functions of a central bank?

8. Define a central bank, how does it differ from a commercial bank.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

Each question carries 15 marks.

Answer to each question not to exceed 3 pages.

9.   Discuss the theoretical and empirical definitions of money.

10. Discuss the role of a central bank in promoting economic growth in a developing country.

11. Give an account of the various types of financial instrument that are used in the Indian capital market.

12. Describe the process of multiple credit creation by commercial banks.

13. Discuss the role of a commercial bank in promoting economic development.

14. Discuss the achievements of the state bank of India.

15. Evaluate the role of central bank in developing the economy of a country.

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DE–6861

DE–6862

14

DISTANCE EDUCATION

B.B.A. (Banking) DEGREE EXAMINATION,
DECEMBER 2013.

RURAL BANKING

(2005 onwards)

Time : Three hours   Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE of the following.

1.   What are the features of Indian Economy?

2.   Explain the structure of Cooperative Banks.

3.   Explain the role of self help groups in rural development.

4.   How can a rural development project be formulated?

5.   What is credit planning? Explain its different approaches.

6.   How does the DIC support rural development?

7.   Explain the functions of TAHDCO.

8.   Describe the features of Prime Minister's Rozgar Yojana.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR of the following.

9.   Explain the requisites of a good rural financial systems.

10.   Describe the functions of Commercial Banks.

11. Explain the concept and components of priority sector credit.

12. Discuss the features and significance of IRDP.

13. Explain various project appraisal techniques.

14. Write an essay on lead bank scheme.

15. Explain the role of NABARD in rural development.

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2 **DE–6862**

DE–6863

15

B.B.A. (Banking) DEGREE EXAMINATION,
DECEMBER 2013

FINANCIAL ACCOUNTING

Time : Three Hours   Maximum : 100 Marks

SECTION A – (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Enter the following transactions in the three columnar cash book of Rahul :

1.1.2012 Commenced business with cash ₹ 15,000

4.1.2012 Paid into bank ₹ 7,000

5.1.2012 Received cash from Mohan ₹ 1270 and allowed him discount ₹ 30

7.1.2012 Bought goods by cheque ₹ 200

10.1.2012 Drew cash from bank for office use ₹ 3,450

12.1.2012 Received a cheque from Subbu ₹ 2970 and discount allowed ₹ 30

14.1.2012 Cash sales ₹ 3,685

17.1.2012 Interest allowed by bank ₹ 120

20.1.2012 Received cash from Latha ₹ 425 and allowed her discount ₹ 25

25.1.2012 Received for cash sales and deposited into bank ₹ 2,550

30.1.2012 Paid rent ₹ 850

31.1.2012 A cheque for ₹ 1,250 is issued towards proprietor's life insurance premium

2. The pass book of Therasa showed a balance of cash at bank of ₹ 2,500 on 31.12.2011. Her cash book shows a different amount of balance. Upon examination, it is found that

   (a) No record has been made in the cash book of a dishonour of a cheque for ₹ 25

   (b) Bank charges of ₹ 30 have not been entered in the pass book

   (c) Cash and cheques amounting to ₹ 350 were paid into a branch bank on 28.12.2011 and the same had not been entered in the pass book

   (d) Cheques amounted to ₹ 900 issued by Nirmal and paid into the bank on 27.12.2011 had not been credited.

   You are required to prepare a Bank Reconciliation Statement as on 31.12.2011.

3. Ghosh sold goods to Gupta on 1.5.2011 for ₹ 9,600. Gupta immediately accepted a 3 months bill. On the due date, Gupta requested that the bill be renewed for a further period of 2 months. Ghosh agreed provided interest @ 9% per annum was paid immediately in cash. To this, Gupta was agreeable. The second bill was met on the due date. Give journal entries and ledger accounts in the books of Ghosh.

4. Journalise the following transaction and post them into ledger.

1.1.2012	Nataraj invested the amount of ₹ 50,000
11.1.2012	Goods sold by Nataraj to Aruna ₹ 2,200
20.1.2012	Aruna returned goods worth ₹ 200
25.2.2012	Cash received from Aruna ₹ 1,200
12.3.2012	Bought goods of Aruna ₹ 5,500

DE–6863

13.3.2012   The goods returned to Aruna worth ₹ 1,000

25.4.2012   Cash paid to Aruna ₹ 2,000

30.4.2012   Goods sold to Aruna ₹ 2,400

21.5.2012   Bought goods from Aruna ₹ 1,500

10.6.2012   Sold goods to Aruna ₹ 2,200

25.6.2012   Bought goods from Aruna ₹ 3,000

5. Explain the accounting procedure for the preparation of an income and expenditure account from a given receipts and payments account.

6. The following is the balance sheet of Pandian, Pallavan and Chozhan sharing profits and losses in the proportion of $\frac{1}{2}, \frac{1}{3}$ and $\frac{1}{6}$ respectively as on 31.3.2012.

Liabilities	₹	Assets	₹
Creditors	94,500	Cash	1,30,000
Bills payable	31,500	Land and building	2,50,000
Reserve fund	1,20,000	Furniture	35,000
Outstanding expenses	4,000	Stock	1,45,000
Capital :		Debtors	1,30,000
Pandian 1,80,000			
Pallavan 1,65,000			
Chozhan 95,000	4,40,000		
	6,90,000		6,90,000

They decided to admit Cheran into the partnership with effect from 1.4.2012 on the following terms :

(a) Cheran should bring in ₹ 80,000 as his capital for $\frac{1}{4}$ share of profits.

(b) Furniture be depreciated by ₹ 3,500

3

DE–6863

(c) Stock be depreciated by 10%

(d) The value of land and buildings having appreciated be brought up to ₹ 3,25,000.

Show revaluation account, capital account and the balance sheet after the admission of a new partner.

7. Suresh Limited issued 2,000 shares of ₹ 10 each at a premium of ₹ 1 to the public payable as follows :

₹ 3 on application; ₹ 4 on allotment including premium ; ₹ 2 on first call and ₹ 2 on final call. 1800 shares were subscribed by the public. All money due were received. You are required to pass necessary journal entries in the books of the company.

8. What do you mean by Non-performing assets? Discuss the accounting policy to be followed regarding recognition of income in relation to non-performing assets.

SECTION B – (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Prepare Trading and Profit and loss account and Balance sheet of Sankar from the following information :

Debit	₹	Credit	₹
Opening stock	4,50,000	Capital	7,50,000
Purchases	22,50,000	Sales	42,07,500
Plant and Machinery	7,50,000	Creditors	1,50,000
Trade charges	1,00,000	Bad debt provision	2,000
Carriage inward	25,000	Bills payable	20,000
Carriage outward	15,000		
Factory rent	15,000		
Discount	3,500		

4

DE–6863

Insurance	7,000
Debtors	6,00,000
Office rent	30,000
Printing	6,000
General expenses	28,000
Advertising	1,50,000
Bills receivable	30,000
Drawings	60,000
Salaries	1,80,000
Manufacturing expenses	2,00,000
Furniture	75,000
Coal, gas and water	10,000
Cash in hand	20,000
Cash at bank	1,25,000
	51,29,500

51,29,500

The following adjustments are required :

(a) Closing stock amounted to ₹ 3,50,000

(b) Plant and furniture are to be depreciated at 10% and 5% respectively

(c) Bad debts provision is to be raised to $2\frac{1}{2}\%$ on debtors

(d) Provide for outstanding liabilities :

    (i) Factory rent ₹ 3,000 and

    (ii) Office rent ₹ 6,000

(e) Prepaid insurance ₹ 1,000.

DE–6863

10. Contractor and Engineer undertook jointly to construct a building for a newly started joint stock company for a contract price of ₹ 2,00,000 payable as to ₹ 1,50,000 in cash and ₹ 50,000 in fully paid shares of the new company. A joint bank account has been immediately opened in their joint names, Contractor paying in ₹ 50,000 and Engineer ₹ 30,000. They share profit and losses in the proportion of 5/8 and 3/8 respectively. Their transactions were as follows :

Wages paid ₹ 80,000

Materials purchased ₹ 1,00,000

Materials supplied by contractor ₹ 6,000

Materials supplied by Engineer ₹ 2,000

Architect's fees paid by contractor ₹ 2,000

The contract was completed and the price duly received. The joint venture account was closed by contractor taking up all the shares at an agreed evaluation of ₹ 45,000 and Engineer taking up the stock of material at an agreed price valuation of ₹ 50,000

Show the necessary ledger accounts.

11. From the following prepare income and expenditure account for the year ended 31.3.2012 and also a balance sheet as on that date :

Receipts	₹	Payments	₹
To balance b/d		By salaries	31,000
In cash	550	By rent	6,000
at bank	4,550	By stationary	6,450

6   **DE–6863**

Receipts	₹	Payments	₹
To subscription (including ₹ 2,000 for 2012-13)	30,000	By postage	250
To interest on investment	15,000	By bicycle purchased	950
To bank interest	100	By Government bond	6,800
To sale of old scooter	2500	By balance c/d	
		in cash	120
		at bank	1,130
	52,700		52,700

Subscription includes ₹ 1,200 for 2011-12, rent includes ₹ 500 paid for March 2011. Rent for March 2012, ₹ 500, is still unpaid. Subscriptions amounting ₹ 1,500 have still to be collected for 2011-12. ₹ 250 are payable against a bill for stationary. The book value of the scooter sold was ₹ 3,200. The cost of the investments (acquired on 1.10.2011) was ₹ 4,00,000; the interest was @ 5% of cost; interest is paid each year on 30th September.

12. X,Y and Z were partners of a firm sharing profits and losses in proportion on their capital. Their balance sheet as on 31.12.2011 stood as under :

Liabilities	₹	Assets		₹
Creditors	10,500	Cash		8,000
Reserve fund	24,000	Debtors	10,000	
Capital Accounts :		Less : Provision for doubtful debts	500	9,500
X 45,000		Stock		9,000
Y 30,000		Machinery		24,000
Z 15,000	90,000	Land and building		38,000
		Good will		24,000
		Profit and loss account		12,000
	1,24,500			1,24,500

7

DE–6863

On 1.1.2012, Z retired from the firm on the following terms ;

(a) That goodwill of the firm was ₹ 18,000

(b) Land be appreciated by 20%

(c) Provision for doubtful debts reduced by ₹ 300

(d) Machinery be depreciated by 5%

(e) Provision of ₹ 1,100 be made in respect of an outstanding bills for repairs

(f) Z be paid ₹ 5,000 cash and the balance be transferred to his loan account

(g) That out of the amount of insurance which was debited entirely to profit and loss account, ₹ 1,000 be carried forward for unexpired insurance.

Pass the journal entries to give effect to the terms of retirement. Show also Revaluation account, Capital account and the Balance sheet after the retirement of a partner.

13. Draft a balance sheet of a banking company in a prescribed form as per schedule III of Banking companies Act and give various schedules with imaginary figures.

14. Tirupur Textiles company invited applications for 10,000 equity shares of ₹ 100 each at a discount of ₹ 10 per share (allowed at the time of allotment).

DE–6863

The amount was payable as follows :

On application ₹ 30

On allotment ₹ 30

On first and final call ₹ 30

The public applied for 9,000 shares and these were allotted. All money due was collected with the exception of allotment and the first and final call on 400 shares. Subsequently, these shares were forfeited. 200 of these shares were reissued as fully paid for a payment of ₹ 80 per share. You are required to pass journal entries in the books of the company.

15. Form the following information, prepare profit and loss account of Lakshmi Vilas bank Limited for the year ended 31.3.2012.

	₹
Interest on loans	51,80,000
Interest on fixed deposits	63,40,000
Rebate on bills discounted	9,80,000
Commission	1,64,000
Payment to employees	10,80,000
Discount on bills discounted (Gross)	31,00,000
Interest on cash credits	44,60,000
Rent, taxes and lighting	3,60,000
Interest on overdrafts	30,80,000
Directors fee	60,000

DE–6863

Auditors fee	24,000
Interest on savings account deposits	13,60,000
Postage and telegram	28,000
Printing and stationary	58,000
Sunday charges	34,000

Additional information :

(a)   Provide for contingencies ₹ 4,00,000

(b)   Transfer ₹ 31,14,000 to reserve fund

(c)   Transfer ₹ 4,00,000 to central government.

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DE–6863

DE–6864

DISTANCE EDUCATION

B.B.A. (Banking)/ B.B.A. (Banking) Lateral DEGREE EXAMINATION, DECEMBER 2013.

PRACTICE AND LAW OF BANKING — I

(2005 onwards)

Time : Three hours　　　　　　　Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Outline the general relationship between banker and customer.

2. State the bankers obligation to honour cheques.

3. Compare a trade bill with accommodation bill.

4. List out the rights and privileges of holder in due course.

5. Explain the types of endorsements.

6. Describe the precautions to be taken by a banker in case of non-resident account.

7. Discuss the steps in opening savings accounts.

8. Explain the travelers' cheques service by bankers.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain the legal rights vested with bankers.

10. Brief the features of a cheques and proper way of drawing cheques.

11. What is the concept of payment in due course? What are the protections to bankers for payments in due course?

12. Explain the duties of collecting banker and the protection available to them.

13. Elaborate the duties of bankers in case of accounts of partnership firms.

14. Describe the precautions and duties of bankers relating to opening, operating and closing current accounts.

15. Explain the different merchant banking services.

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2 **DE–6864**

DE–6865

22

DISTANCE EDUCATION

B.B.A. (BANKING)/ B.B.A. (BANKING) LATERAL DEGREE EXAMINATION, DECEMBER 2013.

MANAGEMENT PRACTICE

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. What is Management? Enumerate the features of it.

2. What is planning? State the nature of it.

3. Who is a manager? Explain their roles.

4. What is a policy? State the characteristics of a good policy.

5. What is formal organisation? List out its merits and demerits.

6. Bring out the merits and demerits of Tall Organisation.

7. Define staffing. State its process and functions of it.

8. Define Direction. Bring out its techniques.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Discuss the importance of management.

10. Discuss briefly the various types of plans.

11. What is Delegation? State its elements and their difficulties.

12. What is Recruitment? State the various sources adopted by the banks in India. Give its merits and demerits.

13. Explain Maslow's theory of motivation.

14. What is Control? Explain the steps involved in control process.

15. Give a brief note on:

    (a) Standard costing

    (b) Marginal costing

    (c) Internal and External audit and

    (d) Human Resource Accounting in control.

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2 **DE–6865**

DE–6866

23

DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A. (Banking) Lateral
DEGREE EXAMINATION, DECEMBER 2013

BUSINESS STATISTICS

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. Define arithmetic mean and median and discuss their merits and demerits of common measures of central tendency.

2. What you understand by Standard Deviation? Explain its usefulness.

3. What is Spearmen's rank correlation coefficient? Bring out its usefulness.

4. Explain the significance of correlation analysis in the field of management.

5. Discuss briefly the importance of Index numbers in business.

6. What do you understand by Time series? Mention its important components.

7. The following table relate to the age of 10 employees and the number of days on which they reported sick in a month

Age :   20 30 32 35 40 46 52 55 58 62

Sick days : 1   2   0   3   4   6   5   7   8   9

Calculate Karl Pearons's co-efficient of correlation and interpret its value.

8. Compute by suitable method the index number of quantity from the data given below :

	1985		1986	
Commodity	Price	Value	Price	Value
A	8	80	10	110
B	10	90	12	108
C	16	256	20	340

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

All questions carry equal marks.

9. Calculate arithmetic mean and the median of the frequency distribution given below. Hence calculate the mode. Using the empirical relation between the three

Class limits	Frequency
130-134	5
135-139	15
140-144	28
145-149	24
150-154	17
155-159	10
160-164	1

2

DE–6866

10. A company has three establishments E_1, E_2 and E_3 in three cities. Analysis of the monthly salaries paid to the employees in the three establishments is given below :

	E_1	E_2	E_3
No. of employees :	20	25	40
Avg. monthly salary (Rs.) :	305	300	340
Std. deviation of monthly salaries :	50	40	45

Find the average and the standard deviation of the monthly salaries of all the 85 employees in the company.

11. Calculate Bowley's coefficient of skewness from the following data.

Sales (Rs. lakhs)	No. of companies
Below 50	8
50-60	20
60-70	40
70-80	65
80-90	85

12. Calculate coefficient of correlation from following data taking deviation from 48 in case of X series and 20 in case of Y series.

X : 40 42 46 48 50 56

Y : 10 12 15 23 27 30

13. Why is Time series considered to be an effective tool of forecasting? Explain various methods.

3

DE–6866

14. Calculate 5 yearly and 7 yearly moving average for the following data of a number of commercial industrial failures in a country during 1982 to 1997

Year	No. of failures	Year	No. of failures
1982	23	1990	9
1983	26	1991	13
1984	28	1992	11
1985	32	1993	14
1986	20	1994	12
1987	12	1995	9
1988	12	1996	3
1989	10	1997	1

Also plot the actual and trend values on graph.

15. Show with the help of the following data that the time and factor reversal tests are satisfied by Fisher's ideal formula for index number construction.

	2005		2006	
Commodity	Price	Quantity	Price	Quantity
	(Rs.)	Kg.	(Rs.)	Kg.
A	6	50	10	56
B	2	100	2	120
C	4	60	6	60
D	10	30	12	24
E	8	40	12	36

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4

DE–6866

DE–6867

24

DISTANCE EDUCATION

B.B.A.(Banking)/B.B.A.(Banking) (Lateral) DEGREE
EXAMINATION, DECEMBER 2013.

BUSINESS (COMMERCIAL) LAW

(2005 onwards)

Time : Three hours   Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. Define Quasi contract. Explain its features.

2. Explain about the rule in Clayton's case.

3. Explain duties and responsibilities of Buyer and seller.

4. Under what circumstances a minor can be treated as a partner. Explain it as per the provisions of Partnership Act.

5. State the different types of companies and its features.

6. Write a note on Doctrine of Indoor Management.

7. State the provisions of Indian stamp act regarding the document executed outside India.

8. State the features of Registration Act.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain the rules relating to appropriation of payments made by a debtor to his creditor.

10. Explain the extent of the liability of the Principal when his agent exceeds authority.

11. State the circumstances in which a surety is discharged from his liability.

12. Distinguish between contract of indemnity and contract of guarantee.

13. "The position of a finder of goods is exactly that of a bailee in the case of deposit". Comment.

14. Explain the different modes of creation of agency.

15. Write short notes on:

    (a) Memorandum of Association and its contents.

    (b) Articles of Association and its contents.

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2   **DE–6867**

DE–6868

25

DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A. (Banking) (Lateral) DEGREE
EXAMINATION, DECEMBER 2013.

FOREIGN EXCHANGE AND FINANCING OF FOREIGN
TRADE

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Explain the commercial terms used in the delivery of goods and for payments.

2. State the nature of marine cargo insurance.

3. Explain the functions of foreign exchange market.

4. How does RBI control foreign exchange in India?

5. Write short notes on duty exemption scheme.

6. Write the essentials of option contracts.

7. Discuss about the Euro-commercial papers.

8. Explain about deferred payment imports.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain different foreign currency accounts.

10. Discuss the different methods of export financing.

11. Explain the procedure for payment of Import Bills.

12. What do you know about "Exchange Pegging"? Explain.

13. Explain the objectives of export promotion schemes in India.

14. Discuss the different types of foreign currency loans.

15. Explain the standard policies and specific policies of export credit Guarantee Corporation of India limited.

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DE–6868

DE–6869

DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A. (Banking) (Lateral) DEGREE
EXAMINATION, DECEMBER 2013.

PRACTICE AND LAW OF BANKING – II

(2005 onwards)

Time : Three hours   Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1.   Distinguish between overdraft and cash credit.

2.   Discuss the sound principles of lending.

3.   What are the rights of mortgager?

4.   What are the different types of crossing?

5.   State the statutory protection available to a collecting
     banker.

6.   State the procedure for opening a bank account.

7.   What is the procedure for the appraisal of term loan by
     commercial banks?

8.   What are the services provided by banker to its
     customers?

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9.   Explain the general relationship between a banker and a
     customer.

10. Discuss fully the various kinds of bills of exchange.

11. What are the precautions to be observed in payment in due course?

12. Classify different types of endorsement and explain them.

13. Explain the different types of securities and borrower.

14. What are the procedures for closing a bank account?

15. Discuss the functions of commercial banks.

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DE–6869

DE–6870

DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A. (Banking) (Lateral) DEGREE
EXAMINATION, DECEMBER 2013.

MARKETING OF BANKING SERVICES

(2005 Onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Describe the evolution of marketing concept.

2. Define product planning and development in banks.

3. Describe the various internal and external forces that influence the pricing of a product in the banking industry.

4. What is a layout? Draw a suitable layout for a bank.

5. What are the objectives of sales promotion in the banking industry?

6. Write notes on :

   (a) Marketing audit.

   (b) SWOT analysis.

7. Discuss the importance of advertising in the banking industry.

8. How do you select a suitable location to start a bank branch?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain the impact of the following on the marketing of a bank :

   (a) Demarketing.

   (b) Remarketing.

10. What are the bases for market segmentation in banking? Describe people-oriented approach in segmentation.

11. Why is marketing behaviour affected by the marketing environment for a banker?

12. Discuss the various marketing mix for a banking industry.

13. Briefly explain the characteristic features of banking services.

14. "Are there any drawbacks in the recruitment/promotion policies of the banker" – Discuss.

15. Discuss the various training and development programmes available for the employees of the bank.

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DE–6870

DE–6871		33

DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A.(Banking) Lateral DEGREE EXAMINATION, DECEMBER 2013.

MANAGEMENT ACCOUNTING

(2005 Onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. What are the differences between cost accounting and management accounting?

2. Explain the method of preparation of sales budget of a manufacturing firm.

3. What do you understand by "Cost volume profit" analysis? What are its significance.

4. What do you mean by special report? How it is different from routine report?

5. Explain the procedure for preparing a cash flow statement.

6. Calculate funds from operations from the following.

Profit and loss account

Particulars	Rs.	Particulars	Rs.
To Administration expenses	25,000	By Gross profit	2,15,000
To Selling expenses	16,000	By interest on investment	5,000
To Depreciation	26,000	By profit on sale of machinery	4,000
To loss on sale of building	6,000		
To Goodwill written off	5,000		

Particulars	Rs.	Particulars	Rs.
To discount on issue off debentures	2,000		
To Net profit	1,44,000		
	2,24,000		2,24,000

7. Kalaiselvan & Co, uses two materials "X" and "Y" to produce a product. For the year 2000, they have planned to sell 2000 units of the product production department informs that after providing for normal loss, etc., 5 kgs per unit of material "X" and 2 kgs per unit of material "Y" are needed for the product.

The stores in charge, after a study of his records and orders placed to the vendors, provides the following details.

Particulars	Finished Product	Material X	Materials Y
	Units	Kgs	kgs
Estimated stock on 1–1–2000	400	1,800	700
Materials on order 1–1–2000	–	2,000	500
Desired stock on 31–12–2000	600	2,200	800
Estimated materials on order on 31–12–2000	–	1,800	600
Estimated average purchase price during 2000	–	Rs. 8 per kg	Rs. 15 per kg

You are required to prepare a purchase budget for the materials, clearly showing the total cost of estimated purchases.

2   **DE–6871**

8. From the following information relating to palani Bros. Ltd., you are required to find out

(a) P/V ratio

(b) Break even point

(c) Profit

(d) Margin of safety

(e) Volume of sales to earn profit of Rs. 6,000.

	Rs.
Total fixed costs	4,500
Total variable cost	7,500
Total sales	15,000

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Describe the characteristics of management accounting.

10. Describe the steps in the preparation of fund flow statement.

11. Explain the process of report writing.

12. Summarised below are the income and expenditure forecasts of Gemini Ltd. for the months of March to August, 1984.

Month	Sales (all credit)	Purchases (all credit)	Wages	Manufacturing Expenses	Office Expenses	Selling expenses
	Rs	Rs	Rs	Rs	Rs	Rs
March	60,000	36,000	9,000	4,000	2,000	4,000
April	62,000	38,000	8,000	3,000	1,500	5,000
May	64,000	33,000	10,000	4,500	2,500	4,500
June	58,000	35,000	8,500	3,500	2,000	3,500
July	56,000	39,000	9,500	4,000	1,000	4,500
August	60,000	34,000	8,000	3,000	1,500	4,500

3

DE–6871

You are given the following further information:

(a) Plant costing Rs. 16,000 is due for delivery in july payable 10% on delivery and the balance after three months.

(b) Advance tax of Rs. 8,000 is payable in March and June each.

(c) Period of credit allowed

(i) By suppliers 2 months and

(ii) to customers 1 month.

(d) Lag in payment of manufacturing expenses ½ month.

(e) Lag in payment of all other expenses 1 month.

You are required to prepare a cash budget for three months starting on 1st may, 1984 when there was a cash balance of Rs. 8,000.

13. Victoria Ltd. is considering the purchase of one of the two machines. As the basis for selection, the following data was. Developed

	Machine A	Machine B
	Rs.	Rs
Original cost	25,565	25,565
Profit after tax:		
Year 1	687	4,687
Year 2	1,687	3,687
Year 3	2,687	2,687
Year 4	3,687	1,687
Year 5	4,687	687
	13,435	13,435

4

DE–6871

The expected rate of return for the company is 16% both the machines have a life of five years and will not have any salvage value. The company is in the 40% tax bracket.

You are required to calculate NPV and PV index suggest the most profitable machine.

14. The P/v ratio of a firm dealing in precision instruments is 50% and margin of safety is 40%.

Your are required to work –out break even point and the net profit if the sales volume is Rs. 50,00,000. If 25% variable cost is labour cost, What will be the effect on BEP and profit when labour efficiency decreases by 5%.

15. From the following balance sheets of A ltd. on 31st December, 1982 and 1983, you are required to prepare fund flow statement.

Liabilities	1982	1983	Assets	1982	1983
Share capital	1,00,000	1,00,000	Good will	12,000	12,000
General reserve	14,000	18,000	Building	40,000	36,000
Profit and loss a/c	16,000	13,000	Plant	37,000	36,000
Sundry creditors	8,000	5,400	Investments	10,000	11,000
Bills payable	1,200	800	Stock	30,000	23,400
Provision for taxation	16,000	18,000	Bills receivable	2,000	3,200
Provision for doubtful debts	400	600	Debtors	18,000	19,000
			Cash	6,600	15,200
	1,55,600	1,55,800		1,55,600	1,55,800

5

DE–6871

The following additional information has also been given.

(a)   Depreciation charged on plant was Rs. 4,000 and on building Rs. 4,000.

(b)   Provision for taxation of Rs. 19,000 was made during the year 1983.

(c)   Interim dividend of Rs. 8,000 was paid during the year 1983.

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DE–6871

DE–6872

34

DISTANCE EDUCATION

B.B.A.(Banking)/ B.B.A.(Banking) Lateral DEGREE EXAMINATION, DECEMBER 2013.

COMPUTERS AND BANKING

(2005 Onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Define computer. Explain its uses to bankers.

2. Describe representations of non numeric data.

3. What is hardware? What are the components of hardware?

4. What are memory units?

5. What is the need for software?

6. What are programming languages?

7. Explain the concept of LAN.

8. What are the problems encounted by the banks in computer operations?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Trace the history of computer.

10. Explain the basic concepts of data processing.

11. What is CPU? Explain its process.

12. Describe different operating systems.

13. What is software? What are various types of software?

14. What is home banking? Explain its architecture.

15. How does inter branch reconciliation's work?

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DE–6872

DE–6873

DISTANCE EDUCATION

B.B.A. (Banking)/ B.B.A. (Banking) (Lateral) DEGREE
EXAMINATION, DECEMBER 2013.

DEVELOPMENT BANKING

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1.   Bring out the importance of development banking in
     India.

2.   Write a note on seed capital.

3.   Describe the forms of assistance provided by state
     financial corporations.

4.   State the objectives of National Housing Bank (NHB).

5.   Examine the resources of Unit Trust of India.

6.   State the objectives of CRISIL and its importance.

7.   Describe the functions of EXIM Bank.

8.   Bring out the objectives of I7C1.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9.   Enumerate the direct assistance schemes of IDBI for
     industrial development.

10. Bring out present scenario of development banking in
     India.

11. Explain the role of ICICI in promoting industrial development.

12. Discuss the capital structure and functions of SIDBI.

13. Critically evaluate the activities of Unit Trust of India.

14. Explain the functions performed by Investment information and Credit Rating Agency of India Limited (ICRA).

15. Examine the role of General Insurance Corporation of India in Industrial Development.

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DE–6873