

B.Com. (Part-I) (Business Information & System Management) Semester-II (CBCS) Examination**BANKING PRACTICES (DSC)****Paper : BCE-23**

Time : Three Hours]

[Maximum Marks : 80

Note :— ALL questions are compulsory.**SECTION—A****(Multiple Choice Questions)**

1. _____ is a key characteristic of banks in the industry.
(A) Profit-driven (B) Non-profit
(C) Government-controlled (D) Charity-based
2. Investment banks primarily engage in _____.
(A) Providing retail banking services (B) Speculative trading
(C) Offering personal loans (D) Regulating interest rates
3. Overdraft protection is a feature commonly associated with _____.
(A) Savings accounts (B) Retirement accounts
(C) Current accounts (D) Investment accounts
4. Credit cards allow users to _____.
(A) Earn interest on purchases (B) Borrow money for purchases
(C) Withdraw cash from ATMs (D) Avoid financial transactions
5. One of the key services offered in business banking is _____.
(A) Home loans (B) Trade finance
(C) Personal credit cards (D) Student loans
6. Commercial banks use credit analysis to determine the _____.
(A) Employee satisfaction (B) Business's ability to repay loans
(C) Government regulations (D) Market trends
7. Valuation services in financial advisory involve determining _____.
(A) Personal net worth (B) Real estate market prices
(C) The fair value of a business (D) Government spending priorities

8. The purpose of a hostile takeover is to _____.
(A) Acquire a company against its wishes (B) Enhance shareholder value
(C) Promote friendly negotiations (D) Facilitate government interventions
9. Multi-factor authentication (MFA) in banking enhances _____.
(A) Data manipulation (B) Customer trust
(C) Cybersecurity risks (D) Unauthorized access
10. Cybersecurity measures in banking aim to protect against _____.
(A) Ethical standards (B) Routine transactions
(C) Data breaches and cyber threats (D) Customer feedback
- 2×10=20

SECTION—B

Write answers in short :—

1. (A) Explain the concept of “too big to fail” in the banking industry.

OR

- (B) What is the purpose of Basel III regulations in banking ?

2. (A) What is the role of APR in credit card terms ?

OR

- (B) What factors influence the interest rates on personal loans ?

3. (A) What are the common types of trade finance instruments ?

OR

- (B) What are the common types of business loans provided by banks ?

4. (A) What services do investment banks provide in financial advisory ?

OR

- (B) Explain the concept of debt in capital markets.

5. (A) What ethical issues arise in banking regulatory compliance ?

OR

- (B) What are the common challenges in maintaining data privacy ?
- 4×5=20

SECTION—C

Write answers in detail :—

1. (A) How do regulatory bodies ensure stability in the banking sector ?

OR

- (B) Why do banks manage interest rate risk ?

2. (A) How do banks use customer relationship management to enhance service ?

OR

- (B) How do banks protect customer information in online transactions ?

3. (A) How do commercial banks assist businesses in foreign exchange transactions ?

OR

- (B) How do commercial banks help businesses in managing liquidity risks ?

4. (A) How do investment banks assist in structuring and executing mergers ?

OR

- (B) How does the underwriting syndicate operate in investment banking ?

5. (A) How does corporate social responsibility impact a bank's reputation ?

OR

- (B) How do banks integrate sustainability practices into their corporate strategies ?

8×5=40