

EASTERN UNIVERSITY, SRI LANKA

FACULTY OF COMMERCE & MANAGEMENT

SPECIAL EXAMINATION IN BBA/COM 2007/08(Dec & Jan08/09)

FINAL YEAR 2002/2003 & 2002(A)/2003

ECN 4023 BANKING THEORY AND PRACTICE



Answer all questions

Time: 03 hours

01. (a) Define commercial Banks
(08 marks)
- (b) List out some state banks presently functioning in Sri Lanka
(04 marks)
- (c) Explain the services provided by commercial Banks in a modern economy
(12 marks)
02. (a) Present the major assets and liabilities of a commercial Bank
(12 marks)
- (b) List out some risks which are faced by commercial Banks
(08 marks)
03. (a) What are the main functions of the central Bank of Sri Lanka
(12 marks)
- (b) How does central Bank of Sri Lanka protect and strengthen public confidence on commercial Banks?
(08 marks)

04. (a) Explain some present day functions of the merchant Banks in English Banking system

(12 marks)

(b) Explain the main features of American Banking system

(08 marks)

05. Briefly explain the following

(a) Rural Banking in Sri Lanka

(b) Present world financial crisis

(c) Share market and economy.

(d) Off-Balance-Sheet activity of a commercial Bank

(20 marks)
