

M.Com. (Semester – III) (Accounting and Finance)
Examination, November 2018

COO3A5N : BANKING OPERATIONS AND MANAGEMENT (OA-18)

Duration : 3 Hours

Max. Marks : 60

Instructions : 1) This paper consists of **nine** questions.

2) Question No. 1 consists of **5 compulsory** questions of **2 marks each**.

3) Answer **any 5** questions from questions **2, 3, 4, 5, 6, 7, 8** and **9**.

4) Figures to the **right** indicate marks.

1. Answer the following questions. (5×2=10)
 - a) What is Social Banking ?
 - b) Elaborate any two Principles of Sound Bank Lending.
 - c) Explain the concept of Virtual Banking.
 - d) What is the meaning of a Credit Bureau ?
 - e) Explain any four functions of Banks.
2. Explain the recommendations of Narasimhan Committee II to improve the Indian Banking System and its impact on the Banking Sector. 10
3. a) What is the meaning of Capital Funds in Commercial Banks ? Explain the functions of Capital Funds. 5
 - b) Explain the utility of Asset Liability Management (ALM) to Commercial Banks. 5
4. 'Loan Policy of Bank must be definite and broad-based'. Explain the statement with regards to the contents of Lending Policy of a Bank. 10
5. The Reserve Bank of India (RBI) is a regulatory and supervisory authority. In this context explain functions and the role played by the RBI in the Indian Banking Sector. 10
6. "Non Performing Assets (NPAs) affect the viability and solvency of Banks". Explain the steps taken by Government and the RBI to manage NPAs in the Indian Banks. 10

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7. a) Enumerate the Types of Non Banking Financial Companies (NBFCs) operating in India. 5
- b) What is Basel Capital Accord ? What are the components of Tier I and Tier II Capital. 5
8. a) Explain the challenges before Commercial Banks in India as regards the management of deposits. 5
- b) Explain the New Style of Lending recommended by the Tandon Committee. 5
9. Elaborate the process of Asset Liability Management to measure, manage and monitor financial risks. 10
