

Total No. of Questions: 6

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Enrollment No.....



Faculty of Management Studies
End Sem (Odd) Examination Dec-2019
MS5OE03 Commercial Banking

Programme: MBA

Branch/Specialisation: Management

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. Which is a function of a commercial bank: **1**
(a) Acting as a Govt. Banker (b) Fixing the exchange rate
(c) Issuing bank notes (d) Making loans
- ii. Which movement encouraged the formation of commercial banks? **1**
(a) Swadeshi Movement
(b) Quit India Movement
(c) Non-Cooperation Movement
(d) Civil Disobedience Movement
- iii. Fixed Deposit can: **1**
(a) Not be withdrawn before maturity
(b) Paid only after maturity
(c) Withdrawn before maturity
(d) All of these
- iv. What is validity period of cheque? **1**
(a) 4 months from date of issue
(b) 3 months from date of issue
(c) 1 month from date of issue
(d) Unlimited
- v. Central Repository of Information on Large Credits (CRILC) was set up by _____? **1**
(a) Reserve Bank of India (b) SIDBI
(c) SEBI (d) NABARD

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- vi. What is the time limit for an asset or loan to be declared as non-performing asset? **1**
 (a) 30 days (b) 60 days (c) 90 days (d) 150 days
- vii. The growth ratios considered by CARE include the following: **1**
 (a) Net Interest Income (b) Profit After Tax
 (c) Asset Under Management (d) All of these
- viii. Which items does not come under the balance sheet? **1**
 (a) Sales (b) Share capital
 (c) Reserves and surplus (d) Unsecured loan
- ix. What is the full form of CVV? **1**
 (a) Credit Verification Value
 (b) Currency Verification Variable
 (c) Customer Verification Variable
 (d) Card Verification Value
- x. The selling of life assurance and other insurance products and services by banking institutions is known as: **1**
 (a) Insurance Cover (b) Banc- Assurance
 (c) Protection Cover (d) None of these
- Q.2 i. Define the term banking. **2**
 ii. Draw the structure of banking system in India. **3**
 iii. Explain the functions of commercial banks in India. **5**
- OR iv. Distinguish between branch banking and unit banking. **5**
- Q.3 i. Define 'crossing' of cheque and explain with specimens that different forms of crossing. **4**
 ii. Discuss the care to be exercised by a banker when dealing with: **6**
 (a) A Lunatic (b) A married woman
 (c) Joint Hindu Families (d) Partnership firm
 (e) Joint Stock Company (f) An executor
- OR iii. Explain the different types of deposits. **6**
- Q.4 i. Discuss about non-performing assets. **4**
 ii. What do you understand by term credit? Also discuss different kind of credits offered by commercial banks. **6**

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- OR iii. Write a short note on credit appraisal and credit decision. **6**
- Q.5 i. Explain any three importance of financial statement analysis. **3**
 ii. Explain any seven items included in balance sheet of Commercial Banks. **7**
- OR iii. Elaborate any seven ratios used for performance measurement of commercial banks. **7**
- Q.6 Attempt any two:
 i. Discuss the recent merger and acquisitions in Indian banking industry. **5**
 ii. Explain the technological and financial innovations in Indian banking industry. **5**
 iii. Write a short note on international banking. **5**

Marking Scheme
MS5OE03 Commercial Banking

Q.1	i.	Which is a function of a commercial bank: (d) Making loans	1
	ii.	Which movement encouraged the formation of commercial banks? (a) Swadeshi Movement	1
	iii.	Fixed Deposit can: (c) Withdrawn before maturity	1
	iv.	What is validity period of cheque? (b) 3 months from date of issue	1
	v.	Central Repository of Information on Large Credits (CRILC) was set up by _____? (a) Reserve Bank of India (b) SIDBI (c) SEBI (d) NABARD	1
	vi.	What is the time limit for an asset or loan to be declared as non-performing asset? (c) 90 days	1
	vii.	The growth ratios considered by CARE include the following: (d) All of these	1
	viii.	Which items does not come under the balance sheet? (a) Sales	1
	ix.	What is the full form of CVV? (d) Card Verification Value	1
	x.	The selling of life assurance and other insurance products and services by banking institutions is known as: (b) Banc- Assurance	1
Q.2	i.	Define the term banking. (As per explanation)	2 marks 2
	ii.	Correct structure	3 marks 3
	iii.	Functions of commercial banks in India	(1 mark*5). 5
	OR iv.	Difference	(1 mark*5) 5
Q.3	i.	Meaning of crossing and kinds	3 marks 4
		Specimen	1 mark

	ii.	Discuss the care to be exercised by a banker when dealing with: (a) A Lunatic (b) A married woman (c) Joint Hindu Families (d) Partnership firm (e) Joint Stock Company (f) An executor	1 mark 1 mark 1 mark 1 mark 1 mark 1 mark	6
	OR iii.	Different types of deposits.	(1 mark*6)	6
	Q.4	i.	Non-performing assets.(As per explanation)	4 marks 4
		ii.	Meaning Kinds	2 marks (1 mark*4) 6
	OR iii.		Credit appraisal	3 marks 6
			Credit decision.	3 marks
Q.5	i.	Three importance of financial statement analysis	(1 mark*3).	3
	ii.	Seven items included in balance sheet of Commercial Banks.	(1 mark*7)	7
OR	iii.	Performance measurement of commercial banks.	(1 mark*7)	7
Q.6		Attempt any two:		
	i.	Discuss the recent merger and acquisitions in Indian banking industry. (As per explanation)	5 marks	5
	ii.	Explain the technological and financial innovations in Indian banking industry.(As per explanation)	5 marks	5
	iii.	International banking.(As per explanation)	5 marks	5
