

Code No. : 12099 E Sub. Code : CMBF 32

B.Com. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2022.

Third Semester

Banking and Finance – Core

BANK MANAGEMENT

(For those who joined in July 2021 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Which of the following factors is are considered by the RBI to determine the number of notes to be issued by it?
 - (a) GDP Growth
 - (b) Inflation
 - (c) Replacement of soiled banknotes
 - (d) All of these

2. A bank is a financial intermediary because
 - (a) it acts as the broker between depositor and borrower
 - (b) it acts as the link between the savers and the borrowers
 - (c) it is in the finance industry
 - (d) it is in the intermediary industry
3. _____ are NOT a part of the Scheduled banking structure in India.
 - (a) Money lenders
 - (b) Public sector banks
 - (c) Private sector banks
 - (d) Regional rural banks
4. How many foreign banks are there in India at present?

(a) 42	(b) 43
(c) 44	(d) 46
5. Which one among the following has not started commercial banking?

(a) SIDBI	(b) IDBI
(c) ICICI	(d) UTI

Page 2 Code No. : 12099 E

6. Which of the following is NOT a function of Commercial Bank?
 - (a) Providing Project Finance Settling of payments on behalf of the customers.
 - (b) Deciding policy rates like CRR, SLR and Repo rate.
 - (c) Issuing credit debit
 - (d) ATM cards
7. RBI has withdrawn the circulation of coins in the denomination of 1 paise, 2 paise, 3 paise, 5 paise, 10 paise, 20 paise and 25 paise in which year?

(a) 2010	(b) 2011
(c) 2012	(d) 2013
8. In case of _____ banking several banks joint together to meet the credit needs of large borrowers.
 - (a) Commercial banking
 - (b) Consortium banking
 - (c) Joint banking
 - (d) None of these

9. What is the tagline of SBI?
 - (a) Pure banking Nothing Else
 - (b) India's international Bank
 - (c) You can always bank on us
 - (d) Experience Next Generation banking
10. Which of the following is not a regulatory institution in

(a) RBI	(b) CIBIL
(c) SEBI	(d) IRDA

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Highlight the cons of Commercial Bank.
Or
(b) Explain the Narasimham Committee – I.
12. (a) How to measure bank liquidity?
Or
(b) Discuss the Elements of Liquidity.
13. (a) Explain "Basel norms".
Or
(b) Mention the Purpose of Basel norms.

14. (a) List out the objectives of Formulating Loan Policy.

Or

- (b) Highlight the characteristics of a loan policy.

15. (a) Explain the functions of ALM Core.

Or

- (b) List out the objective of ALM.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Explain the opportunities for Indian commercial banks.

Or

- (b) Distinction between Scheduled banks and Non-Scheduled banks.

17. (a) Explain the merits and demerits of Shiftability Theory.

Or

- (b) Explain the Components of Liquidity

18. (a) Explain the three Basel norms.

Or

- (b) Discuss the purpose of capital adequacy ratio.

19. (a) Explain the cardinal principles of Credit Management.

Or

- (b) Explain the Elements for Formulating Loan Policy.

20. (a) Elucidate the ALM Risk Mitigation.

Or

- (b) Explain the Pros and Cons of Asset and Liability Management.