

## M.Com.(HPP)(F.F.S) Sem-3 Examination

## CC 11

## Banking Operations

August 2021

Time : 2-00 Hours]

[Max. Marks : 50

All Questions in Section I carry equal marks

Section I (Attempt any two)

Question V in section II is compulsory

## Section I

Q.1 (A) Define Bank and Banking Services. Explain the structure of banks in India along with wholesale and retail banking. (20)

(B) Write down the functions of Banks and explain the "Lending Function of banks" in detail.

Q.2 Highlight and describe the various structural reforms which are needed for Indian Banking System. Also discuss the BASEL Norms and its implementation in Indian Banking System. (20)

Q.3 What is risk in context of Banking Sector? Explain the process of risk management in detail. Also give some guidelines to manage the credit and liquidity risk in banks. (20)

Q.4 (A) What is International Banking? Give a brief note on following International Lending forms. (20)  
(i) Trade Finance  
(ii) Letters of Credit

(B) How the Payments and Settlements are to be done in the banks between payer and beneficiaries. Also explain the products of NPCI.

## Section II

Q.5 Multiple Choice Question (Attempt any **Five** of the following) (10)

1) Loans from money lenders are \_\_\_\_\_.  
(a) With the high rate of interest  
(b) No proper accounting  
(c) No transparency  
(d) All of the above

2) RBI was nationalised in the year of \_\_\_\_\_.  
(a) 1949 (b) 1935 (c) 1934 (d) 1947

3) Which of the following is the correct term for "concealment of the origins of illegally obtained money which involves foreign banks"  
(a) Money exchange (b) Money zest  
(c) Money laundering (d) Money tracking

4) Which of the following are NOT banks own fund?  
(a) Paid up capital

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- (b) Debentures  
(c) Reserve fund  
(d) Portion of undistributed profit
- (5) The First Narsimham committee was established in the year of \_\_\_\_\_.  
(a)1998 (b)1997 (c)1996 (d)1991
- (6) What do you mean by CAR in financial terms?  
(a) Capital actual ratio  
(b) Capital adequacy ratio  
(c) Cash actual ratio  
(d) Cash adequacy ratio
- (7) Which kind of risk is associated to Banking Sector when there is a cash crunch in any firm?  
(a) Operational risk (b) Investment risk  
(c) Market risk (d) Liquidity risk
- (8) Which of the following is NOT included in Credit risk?  
(a) Borrower risk (b) Industry risk  
(c) Portfolio risk (d) Funding risk
- (9) The market that helps to mitigate risk by signing the deal or transaction for future date with current rate at SEBI regulated platform is termed as \_\_\_\_\_.  
(a) Spot market (b) Forward market  
(c) Future market (d) Option market
- (10) Which pair of currency is not traded in currency market?  
(a) USDINR (b) USDGBP  
(c) JPYINR (d) GBPINR
- (11) Who becomes the chair person of Authority under Payment and Settlement Method?  
(a) Governor of RBI  
(b) Deputy Governor of RBI  
(c) Director General of RBI  
(d) General Manager of RBI
- (12) How many digits and alphabets are contained in IFSC code?  
(a) 9 (b) 10 (c) 11 (d) 12