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3101E1268

Candidate's Seat No : _____

**PG Diploma Sem.-1 Examination
Paper-2**

**Banking & Insurance Management
January-2025**

Time : 2-30 Hours]

[Max. Marks : 70

- Q.1** "Explain the core management principles utilized in banking and discuss how these principles contribute to the efficiency and effectiveness of banking operations." **14 Marks**

OR

"Describe the history and growth of the banking system in India. How have major reforms helped shape modern banking?"

- Q.2 Match the following (1 mark each):** **14 Marks**

Column A (Types of Banks)

Column B (Functions/Descriptions)

- | | |
|------------------------------|--|
| 1. Commercial Bank | a. Focuses on loans and services for housing needs |
| 2. Cooperative Bank | b. Specializes in large investments and capital markets |
| 3. Regional Rural Bank (RRB) | c. Operates in a country but headquartered abroad |
| 4. Central Bank | d. Focuses on small savings and digital transactions |
| 5. Development Bank | e. Offers financial assistance to small farmers and rural areas |
| 6. Private Sector Bank | f. Majority owned by the government |
| 7. Public Sector Bank | g. Provides financial support for international trade |
| 8. Small Finance Bank | h. Encourages saving by offering interest on deposits |
| 9. Payments Bank | i. Supports large-scale industrial projects |
| 10. Foreign Bank | j. Regulates and manages the monetary system |
| 11. Investment Bank | k. Provides banking services to small businesses and low-income groups |
| 12. Savings Bank | l. Owned and operated by private organizations |
| 13. Export-Import Bank | m. Focuses on development in rural areas |
| 14. Housing Finance Bank | n. Provides services to businesses and individuals |

OR

Describe various types of banks in India and along with their key features.

Q.3 Write a detailed short note on Non-Banking Financial Companies (NBFCs).

**14
Marks**

OR

Examine the development, structure, and significance of payment and settlement systems in India. Discuss their key components, the Reserve Bank of India's role, and the rise of digital payments in the past decade.

Q.4 Calculate the Capital Adequacy Ratio (CAR) using the following figures:

**14
Marks**

Particulars	Amount (₹)
Paid-up Equity Capital	₹15,000
Disclosed Reserves	₹10,000
Revaluation of Assets	₹6,000
Subordinated Debt	₹4,000
Less: 55% Deduction on Revaluation	To be calculated
Loans to Customers (RWA)	₹2,80,000
Investments (RWA)	₹1,20,000

OR

Evaluate the importance of capital adequacy in banks as per Basel III norms. Discuss how it influences risk management and operational efficiency.

Q.5 What is the role of banks in facilitating international banking, and what are the key tools they use to manage it effectively?

**14
Marks**

OR

"Discuss the role of Artificial Intelligence (AI) and Blockchain in transforming the banking sector. Highlight their key applications, benefits, and potential challenges."

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