

**IV Semester M.Com. Examination, June/July 2018**  
**(Semester Scheme)**

**(CBCS)**

**COMMERCE**

**FB-4.4 : Banking Operating and Management**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

1. Answer **any seven** questions. **Each** question carries **two** marks. **(7×2=14)**
- What is Treasury Management in banks ?
  - Give the meaning of Doubtful assets audits classification.
  - What is basis risk ?
  - What is a confirmed letter of credit ?
  - What are open market operations ?
  - What is the role played by the Monetary Policy Committee ?
  - Define risk and mention the types of risks faced by banks.
  - What are Small Finance Banks ?
  - Distinguish Term deposits and Recurring deposits.
  - What is meant by Maturity Ladder ?

**SECTION – B**

Answer **any four** questions. **Each** question carries **5** marks.

**(4×5=20)**

- Explain the importance of retail banking.
- What is correspondent Banking ? Explain the importance of the same in international business.
- Explain the segmentation of Banks products.
- Explain the impact of operational risk on banks profitability.



6. Banks encourage low cost deposits. Discuss.
7. Bring out the differences between commercial banking activities and merchant banking activities.

### SECTION - C

Answer **any three** questions. **Each** question carries **12** marks. **(3×12=36)**

8. Explain the challenges before the Indian Banks in the backdrop of deregulation, increasing level of competition and risks.
9. Explain the role played by ECGC in promoting exports.
10. "Effective supervision and follow up of advances ensures the health of banks". Discuss.
11. "Asset liability management is a risk management tool." Discuss.
12. A sound capital base ensures solvency of banks, discuss.

### SECTION - B

Answer any four questions. Each question carries 8 marks.

1. Explain the importance of retail banking.
2. What is correspondent banking? Explain the importance of the same in international business.
3. Explain the segmentation of Banks products.
4. Explain the impact of operational risk on banks profitability.