

**SVKM's NMIMS**  
**School of Distance Learning**

Programme: DBFM/PGDBFM

Academic Year: 2011-2012

Subject: Commercial Banking System & Role of RBI

Date: 4.1.2012

Semester

II

Course

New

Marks:

70

Time:

11.00 a.m to 2.00 p.m

**Instructions: Candidates Should read carefully the instructions printed on the question paper and on the cover of the Answer Book, which is provided for their use.**

**NOTE:** (1) Total No. of questions FOUR  
(2) Figure in brackets indicates full marks  
(3) Answer to each new question to be started on a fresh page

**Q. 1 Attempt any 2 (TWO) out of 4 (Discuss) (Marks: 2X5= 10)**

- a. Balance of Payment
- b. UCPDC 600
- c. ALM
- d. BPLR

**Q.2 Write short notes on any 2 out of 5 (Marks: 2X5= 10)**

- a. LAF
- b. Marginal Standing Facility Rate
- c. RTGS
- d. Forex Reserves
- e. Pledge & Hypothecation

**Q.3 Attempt any 3 (THREE) out of 5 (Marks:3X10=30)**

- a. How RBI manages the Liquidity, Forex Reserves, Money Supply & Inflation
- b. How Bank s maintains CRR and SLR with RBI.
- c. How the banks deal in various Money Market instruments through Clearing Corporation of India
- d. What are the various sources of Liabilities and its management done by Commercial Banks?
- e. What are the Fund based and Non-Fund based activities of the banks.

**Q.4 Case Study (Marks – 20)**

In view of the Global Financial Melt Down (due to USD Sub-prime crisis and Euro Zone Debt Crisis), few Bank's and Corporates may become bankrupt in PIIGS countries. Give your suggestions for exporters, Importers, ECB Borrowers on Risk Management for Currencies and Interest Rates in addition to Sovereign and counterparty risk management. Also, how you will deal with an exporter who has exported goods to Egypt and LC opening bank is not able to release payment due to political situation in Egypt. Discuss.