

SVKM's NMIMS
NMIMS – GLOBAL ACCESS SCHOOL FOR CONTINUING EDUCATION

Programme: DBFM/PGDBFM

Examination: June 2015

Subject: Commercial Banking System & Role of RBI

Date: 23.06.2015

Semester: II

Course : New

Marks : 70

Time: 11.00 a.m. to 2.00 p.m.

Instructions:

1. Answer to each new question to be started on a fresh page.
2. Figures in bracket indicate full marks.

Q.1) Attempt any 2 out of 4

(Marks: 2X5=10)

1. What is CBS? What are the benefits to the customer under CBS?
2. What do you understand by Basel I accord? What are the limitations of Basel I?
3. How Interest rate risk is managed by banks?
4. Write on the parties involved in a letter of credit.

Q.2) Write Short Notes on any 2 out of 5

(Marks: 2X5=10)

1. Cheque truncation system and its benefits
2. Operational risk
3. SARFAESI ACT
4. What is NPA? How it affects the profitability of a bank?
5. Write Nayak committee on SSI lending.

Q.3) Attempt any 3 out of 5

(Marks: 3X10=30)

1. Give the definition of Negotiable instruments. Who are all the parties to a negotiable instrument? What are rights of a holder in due course? Under NI Act, when the paying banker is protected? Under NI Act when the collecting banker is protected?
2. Explain the following with examples.

Overdraft, Demand loans, Term loans, Cash credit, Bill finance, and Packing credit.

3. Discuss the treatment of various items of current assets and current liabilities appearing in the financial statement of the borrower for the analyzing the financial statements.
4. What is money market? Explain money market instruments.
5. Explain the various liability products under retail banking and their features?

Q.4) Attempt both the questions

(Marks: 2X10=20)

1. What are the rights and duties of banker?
2. Write on the three pillars of Basel II Accord? Write on the three alternative approaches for measurement of credit risk under Basel II.