

K J SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH
VIDYA NAGARI, VIDYA VIHAR, MUMBAI – 400 077.
PGDM (Financial Services) Trimester III. Batch: 2017-19
Commercial Banking
(End Term Examination)

Max. Marks: 50

Duration: 3 Hrs.

Instructions

2018

4th April,

- (1) Question **No.1 is compulsory** which is of 14 marks.
- (2) Attempt any **THREE** from the rest, each of 12 marks.
- (3) Answer each new question on a fresh page.
- (4) Write all sub question of a main question together.
- (5) Don't write extra answers. Only first four will be assessed.
- (6) If these instructions are ignored, appropriate marks will be reduced.

Q.1 Explain the following

- (a) Management of NPAs in the bank
- (b) Rate adjusted gap method of interest rate risk management

Q.2 Explain the method of computing following ratios in banks and state its importance.

- (a) Demand to Time deposit ratio
- (b) Net Interest Margin
- (c) Operating efficiency ratio

Q.3 What is NDTL? How it is calculated? What is the need for calculating NDTL?

Q.4 Explain working fund approach and cash flow approach for liquidity risk management in banks.

Q.5 Write short notes on any **TWO** of the following

- (a) Basel III norms
- (b) KYC norms for deposit account
- (c) Problems of priority sector advances
- (d) Tier I capital in CAR

Q.6 What measures do you suggest to prevent financial frauds recently took place in Indian banking industry in future?

End of the paper