

K J SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH
VIDYA NAGARI, VIDYA VIHAR, MUMBAI – 400 077.
PGDM (Financial Services) Trimester III. Batch: 2018-20
Commercial Banking
(End Term Examination)

Max. Marks: 50

Duration: 3 Hrs.

4th April, 2019

Instructions

Question **No.1** is **compulsory** which is of 14 marks.

- (1) Attempt any **THREE** from the rest, each of 12 marks.
- (2) Answer each new question on a fresh page.
- (3) Write all sub question of a main question together.
- (4) Don't write extra answers. Only first four will be assessed.
- (5) If these instructions are ignored, appropriate marks will be reduced.

- Q.1 Explain the concept of NDTL and the process of maintaining CRR and SLR followed by Indian banks.
- Q.2 (a) What are the contents of a typical loan policy of a bank?
(b) What are the problems of priority sector advances and how it can be minimized?
- Q.3 (a) Explain the process under IBC to recover the dues or for insolvency of a defaulter borrower.
(b) Whether CAR has any relevance with respect to loan portfolio expansion of a bank? Explain it with reference to Basel III norms.
- Q.4 (a) Explain the Technical Approach for Liquidity risk management by a bank.
(b) Explain the Rate Adjusted Gap method for interest rate risk management by a bank.
- Q.5 Write a note on any **TWO** of the following
- (a) Net Interest Margin
 - (b) Foreign Currency Translation Reserve
 - (c) Base Rate
 - (d) Discounting of bills

End of the paper