19. (a) What are the features of the ideal security for a banker?

Or

(b) What are the points to be considered by a bank in the process of loan documentation?

20. (a) Give an account of the background of nationalisation of banks in India.

Or

(b) Examine the factors influencing the profitability of banks in India in the present context.

PART C — (3 × 10 = 30)

Answer any THREE questions.

21. Describe the different components of the Indian banking system.

22. Elaborate the role of cooperative banks in the economic development of India.

23. Explain the structure of the balance sheet of commercial banks in India.

24. Enumerate the points to be considered by a bank while appraising a project proposal.

25. Examine the strengths and weaknesses of private sector banks in India.

———————

(For candidates admitted from 2022–2023 onwards)

M.Com. DEGREE EXAMINATION, NOVEMBER 2023.

Bank Management

INDIAN BANKING SYSTEM

Time : Three hours Maximum : 75 marks

PART A — (20 marks)

Answer ALL questions.

I. (A) Choose the best answer: (5 × 1 = 5)

1. The central bank is responsible for ————

(a) Issue of currency notes

(b) Regulation of money supply

(c) Implementing welfare programmes

(d) Managing foreign exchange reserves

2. India follows ———— banking.

(a) Branch (b) Unit

(c) Investment (d) Universal

3. Deposits derived out of loans are called as ——————— deposits.

(a) Primary (b) Liquid

(c) Low cost (d) Secondary

4. In case of a secured loan, the difference between the value of the security and the amount of the loan is called as ———————

(a) Interest (b) EMI

(c) Margin (d) Discount

5. After nationalisation, banks witnessed a substantial increase in the ———————

(a) Volume of profits

(b) Amount of recovery

(c) Variety of products

(d) Number of branches

(B) Fill in the blanks: (5 × 1 = 5)

6. The present SLR is ———————.

7. Cooperative banks follow the principle of one share and ———————.

8. A bank generates most of its income through ———————.

9. While appraising a loan proposal a bank has to assess the ——————— capacity of the borrower.

10. ATM located within the premises of a bank are called as ——————— ATM.

II. Answer the following: (5 × 2 = 10)

11. What are open ended mutual funds?

12. What is Urban Cooperative Banks?

13. What is credit multiplier?

14. What are personal loans?

15. What do you mean by social control over banks?

PART B — (5 × 5 = 25)

Answer ALL questions, choosing either (a) or (b).

16. (a) What are scheduled banks? What are the conditions to be fulfilled by them?

Or

(b) Enumerate the services rendered by a merchant banker relating to issue management.

17. (a) Brief the features of branch banking.

Or

(b) What are the objectives of cooperative banking?

18. (a) Loans create deposits – Elucidate.

Or

(b) Identify the factors determining the liquid assets of banks.