

PGDM / IB 2017-19
Management of Commercial Banks
DM-314/ IB-312
Trimester – III, End-Term Examination: March 2018

Time allowed: 2 Hrs 30 Min
Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing **anything** except the Roll No will be treated as **Unfair Means**. All other instructions on the **reverse** of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

Section A

- A1. What is the role of RBI in Management of Banks ?
- A 2. What are IRAC norms ?
- A 3. What are Basel accords and how do they impact banking ?
- A 4. What is ALM and what is its importance for Banks ?
- A 5. How is recovery of NPAs done by Banks ?

Section B

- B 1. How does a Bank balance sheet differ from that of a manufacturing company ? Explain with examples how would you assess the health of a Bank.
- B 2. Explain the changes from Basel 1 to Basel 3. Have the changes been effective in improving the health of Banks ?
- B 3. What are the benefits of introducing the Insolvency and Bankruptcy Code ? Is this an improvement over existing recovery methods ?

Section C

In a savings bank account if the opening balance is Rs.1 lac on 1 Jan 2017 and there are monthly accrual and payments. Please calculate and apply SB interest @5% pa with daily products and bi-annual application of interest for the period 1.1.17 to 1.1.18. Assume daily product for preceding half year prior to 1.1.17 was 5,000,000. Bi-annual interest to be applied on 1 Jan and 1 July. Please show the Savings Bank Account with interest duly applied and monthly debit and credit entries as per detail below:

Date	Particulars	Debit	Credit
1st	Salary		75000
5 th	EMI of Housing Loan	15000	
25th	Credit card dues	25000	
29th	Annuity Interest		15000

15 Marks