

DE-2619**11**

DISTANCE EDUCATION
M.B.M. DEGREE EXAMINATION, DECEMBER 2011.
BANKING LAW AND PRACTICE
(Old and Revised w.e.f. 1999)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. What are the innovative services rendered by banks?
2. "A Banker is bound to honour his customer cheques" to what extent is this true? Discuss.
3. What do you understand by non-resident accounts?
4. Explain the merits of stock exchange securities as security for bank advances.
5. Explain the factors limiting the level of banks advances.
6. Distinguish between cheque, bill of exchange and promissory note.
7. Bring out the different kinds of endorsement.
8. What are the features of Fixed Deposit Receipt?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Describe in detail the role played by banks in developing the economy of a country.
10. Define the terms "BANKER" and "CUSTOMER" and bring out the relationship that exists between them.
11. Discuss the formalities which a banker has to observe before opening a new account.
12. State the precautions that a banker should take in granting advance against shares of a joint stock company.
13. What are the essential features of a promissory note?
14. Discuss the statutory protection available to a collecting banker.

DE-2620

DISTANCE EDUCATION

12

M.B.M. DEGREE EXAMINATION, DECEMBER 2011.
CENTRAL BANKING AND MONETARY MANAGEMENT
(Old and Revised w.e.f 1999)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Enumerate the causes of under developed money market.
2. Point out the characteristics of a central bank.
3. What are open market operations? State their limitations.
4. Critically evaluate the efficacy of monetary policy.
5. Explain the need for banking education.
6. Briefly state the organisational structure and evolution of RBI.
7. Write a note on credit planning in India.
8. How does RBI promote industrial finance? Explain.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

Each answer shall not exceed 5 pages.

9. Explain in detail the functions of a central bank.
 10. 'Deposits create credit; credit creates deposits' – Discuss with exceptions if any.
 11. Assess the role of central bank in a developing economy.
 12. State and explain the objectives of monetary policy.
 13. What are the regulations relating to capital reserves and liquid assets? Explain.
 14. Narrate the RBI's instruments of general credit control.
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DE-2621**13**

DISTANCE EDUCATION
M.B.M. DEGREE EXAMINATION, DECEMBER 2011.
RURAL BANKING

(Old and revised w.e.f. 1999)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

Each answer should not exceed 1 page.

1. Explain the importance of rural banking.
2. What are the sources of finance in rural areas?
3. Bring out the role of IRDP in poverty alleviation.
4. Comment on the outcome of 20-point economic programme.
5. State the objectives of Lead Bank.
6. Mention the salient features of District Credit plan.
7. List out the functions of SIDBI.
8. Enlist the problems faced by Khadi and Village Industries Commission (KVIC).

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

Each answer should not exceed 5 pages.

9. Describe the role of commercial banks in developing rural areas.
 10. What are the functions of regional rural banks?
 11. Explain the concept of “priority sector”. State the norms to be adopted for lending towards this sector.
 12. Explain the role of lead bank and member banks.
 13. Bring out the uses and importance of District Credit Plan and also the problems in implementing them.
 14. Explain the objectives and functions of DIC.
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DE-2622**14**

DISTANCE EDUCATION

M.B.M. DEGREE EXAMINATION, DECEMBER 2011.

ESSENTIALS OF MANAGEMENT

(Old and Revised w.e.f 1999)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Explain the essentials for effective bank management.
2. Describe the role of a bank manager.
3. Explain the nature and significance of bank objectives.
4. What are the various types of committees?
5. Enumerate the principles of direction.
6. How do you measure profitability in banks?
7. Discuss the process of manpower planning in banks.
8. What are the principles of delegation?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Write an essay on environment for effective bank management.
 10. Describe the process of decision making in banks.
 11. Explain the merits and demerits of decentralization of authority.
 12. Discuss the steps in conflict management in banks.
 13. Distinguish between productivity and profitability in banks.
 14. Explain the procedure for handling employee grievances redressal.
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DE-2623**15**

DISTANCE EDUCATION
M.B.M. DEGREE EXAMINATION, DECEMBER 2011.
COMPUTERS AND BANKING
(1999 onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. Explain the features of a digital computer.
2. Explain Binary System with examples.
3. What are the objectives of data processing?
4. Explain RAM and ROM.
5. What is the need for programming language?
6. What are the functions of an operating system?
7. What are the features of intranet?
8. What are the benefits of ATMs?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

All questions carry equal marks.

9. Explain different generations of computers.
 10. How does a computer work? Explain with the help of a block diagram.
 11. What are the features of high level language?
 12. Explain different types of networks.
 13. How are inter-branch transactions carried out with the help of computers in banks?
 14. What are the likely problems that affect the working of computers?
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DE-2624**21**

DISTANCE EDUCATION
M.B.M. DEGREE EXAMINATION, DECEMBER 2011.
FINANCIAL MANAGEMENT
(Old and Revised WEF 1999)

Time : Three hours

Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. Explain the importance of financial planning.
2. What are financial statements? Explain their types.
3. Differentiate between fund flow statement and cash flow statement.
4. From the following information, find out
 - (a) Current assets
 - (b) Current liabilities
 - (c) Stock current ratio 3.5 liquid ratio 2.5 working capital Rs. 1,00,000.
5. Discuss the factors influencing capital budgeting decisions.
6. Define leverage. Describe its types.
7. "The analysis of working capital helps in the effectiveness of business management" – Elucidate.
8. Explain the role of credit terms in a credit policy.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

All questions carry equal marks.

9. What are the uses and limitations of ratio analysis?
10. From the following balance sheets, prepare a cash flow statement.

	2009	2008		2009	2008
	Rs.	Rs.		Rs.	Rs.
Capital	2,00,000	2,00,000	Fixed assets	1,80,000	1,60,000
Accounts payable	80,000	70,000	Less : Depreciation	50,000	30,000
General reserve	40,000	25,000	Stock	92,000	1,00,000
P & L a/c	60,000	40,000	Bills Receivable	90,000	35,000
			Cash	68,000	70,000
	3,80,000	3,35,000		3,80,000	3,35,000

11. There are two projects X and Y each involves an investment of Rs. 40,000. The expected cash inflows and the certainty coefficients are as under.

	Project X		Project Y	
Year	Cash inflow	Certainty	Cash inflow	Certainty
	Rs.	coefficient	Rs.	coefficient
1	25,000	0.8	20,000	0.9
2	20,000	0.7	30,000	0.8
3	20,000	0.9	20,000	0.7

Risk free cut off rate is 10% suggest which of the two projects should be preferred?

12. A company has fixed expenses of Rs. 90,000 with sales at Rs. 3,00,000 and profit of Rs. 60,000 during the first half year. In the next half year, the company suffered a loss of Rs. 30,000. Calculate
 - (a) P/V ratio, breakeven point and margin of safety for the half year.
 - (b) Expected sales volume for the next half year.
13. Brown Ltd has a total sales revenue of Rs. 120 lakhs a year, of which 75% are credit sales. The firm has no investment opportunity in the money market to earn a return of

- 18% p.a. If the firm could reduce its float by 3 days, What would be the annual savings for it?
14. What are the merits of adequate working capital?
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DE-2625**22**

DISTANCE EDUCATION

M.B.M. DEGREE EXAMINATION, DECEMBER 2011.

PROJECT FINANCE

(Old and Revised w.e.f 1999)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Explain the various steps involved in project identification.
2. What is debenture source of capital? What are its characteristics?
3. What is working capital? What factors affect the requirement of working capital?
4. Write a note on capital gearing with its importance in project financing.
5. How is the demand and supply gap estimated in project appraisal?
6. Does project finance generate employment? Explain.
7. Is project monitoring important? Explain.
8. Explain the various symptoms and causes of industrial sickness.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Describe the role of project consultant in project management.
 10. What is venture capital? Explain its importance to a corporate enterprise.
 11. Explain the various steps in project formulation.
 12. Explain the need for social cost benefit analysis in project appraisal.
 13. How the evaluation of financial aspects of a project is done? Explain.
 14. Explain in detail the process involved in project appraisal.
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DE-2626**23**

DISTANCE EDUCATION
M.B.M. DEGREE EXAMINATION, DECEMBER 2011.
INTERNATIONAL BANKING AND FOREIGN EXCHANGE
(Old and revised wef 1999)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. Explain Nostro account and Vostro account.
2. Explain the concept of full convertibility of currency.
3. What are the causes for fluctuations in exchange rate?
4. Write a note on Turnkey project.
5. What are the advisory services rendered by the EXIM bank?
6. What are the features of loan syndication?
7. Explain the role of correspondent banks in the international trade.
8. What are the foreign exchange problems faced in India?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

All questions carry equal marks.

9. What are the functions of Foreign Exchange Department?
10. Explain the objectives of exchange control.
11. What are the important features of India's Foreign Trade Policy?
12. Explain different types of letter of credit.
13. What are the different financial guarantees issued by the ECGC?
14. Explain exchange control regulations regarding export.

DE-2627**24**

DISTANCE EDUCATION
M.B.M. DEGREE EXAMINATION, DECEMBER 2011.
BANK MARKETING

(Old and Revised wef 1999)

Time : Three hours

Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. State and explain bank's business objectives.
2. Discuss the need for marketing audit.
3. Explain the process of product development in bank marketing.
4. What do you mean by sectoral banking? State its functions.
5. List out the essential features for bank branch lay out.
6. Explain the role of pricing in bank marketing.
7. What are customer services? Discuss the norms for customer service.
8. Narrate the steps involved in the selection of personnel for banks.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

All questions carry equal marks.

9. Prepare a SWOT analysis chart for a public sector bank.
10. Explain the need for introduction of new products in bank marketing.
11. What factors do you consider in the suitable location for a bank branch?
12. Discuss the importance of deregulations of interests rates in banks.
13. "Customer's meet in a bank is mandatory". Do you favour this statement? Explain.
14. How a bank employee can be motivated? Discuss.

DE-2628**25**

DISTANCE EDUCATION
M.B.M. DEGREE EXAMINATION, DECEMBER 2011.
MERCHANT BANKING
(1999 onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

Each answer not to exceed 1 page.

1. What is underwriting? State the functions involved in underwriting.
2. Write is loan syndication? Explain the steps involved in loan syndication.
3. What is Right issue? And state the advantages of 'Private Placement'?
4. Distinguish between merger and take over.
5. Explain the forms of merger.
6. Discuss the functions performed by a factor.
7. What are the features of venture capital investments?
8. What is a mutual fund? Distinguish between open-ended-fund and close-ended-fund?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

Each answer not to exceed 5 pages.

9. Explain in detail the various functions performed by merchant bankers.
10. Elaborate the project counseling scenario in India.
11. Explain portfolio management and the functions of portfolio managers.
12. Elaborate the role of merchant bankers in mergers.
13. Sketch the origin and the growth of venture capital in India.
14. Give an account of various schemes of mutual funds in India.