

BUSINESS ENVIRONMENT AND POLICY

(For those who joined in July 2003 and after)

Time : Three hours

Maximum : 100 marks

SECTION A — ($4 \times 10 = 40$ marks)

Answer any **FOUR** questions.

Answer to each question not to exceed 2 pages.

1. Differentiate between Economic Environment and Non-economic environment.
2. Explain the objectives of Industrial policy resolution of 1956.
3. Explain the advantages of privatisation.
4. Analyse the extent of Industrial sickness in India.
5. Analyse in detail the achievements of SEBI since its inception.
6. What measures can be adopted to protect consumers? Explain.

7. Explain what is meant by Social Audit?
8. Point out the problems faced by the small scale units.

SECTION B — ($3 \times 20 = 60$ marks)

Answer any **THREE** questions.

Answer to each question not to exceed 4 pages.

9. Discuss the Economic Environment of business.
10. Explain the impact of Liberalisation Policy on Indian Industry.
11. Analyse the flow of FDI in India and ascertain the causes for the poor flow.
12. Explain the guidelines issued by SEBI for capital issues.
13. Discuss the future of MNCs in India.
14. Discuss the role of SIDBI in the promotion and development of small scale units in India.

COMPUTER APPLICATIONS IN BANKS

(For those who joined in July 2003 and after)

Time : Three hours

Maximum : 100 marks

SECTION A — ($4 \times 10 = 40$ marks)

Answer any FOUR questions.

1. Write a note on Generation of Computers?
2. Write down the steps to open a program thru Explorer.
3. What is a chart? Write down the steps to create a chart in Excel.
4. What is an algorithm? List down the criteria for devising an efficient algorithm.
5. With the syntax, explain the functionality of switch statement.
6. What do you mean by recursion? Give an example.
7. Write a program to initialize a structure variable and display the content.

8. Write a note on.

- (a) MICR
- (b) ECS
- (c) I-WAY
- (d) ATM

SECTION B — ($3 \times 20 = 60$ marks)

Answer any THREE questions.

9. Explain the functional components of a computer system with a diagram.
 10. Explain the working methodologies in Explorer.
 11. Explain the various operators used in C language.
 12. What is meant by arguments? Explain the methods to pass arguments to functions in C language.
 13. Give an account on the role played by computers in banking.
 14. With a diagram, explain how money is transferred electronically.
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FINANCIAL ACCOUNTING

(For those who joined in July 2003 and after)

Time : Three hours

Maximum : 100 marks

SECTION A — (4 × 10 = 40 marks)

Answer any **FOUR** questions.

1. Define Bills of Exchange. Differentiate between Bills of Exchange and Promissory Note. What is their importance in the modern business world?
2. Very often the can book balance differs from the pass book balances, why?
3. Explain the procedure for preparation of can flow statement. How it differs from fund flow statement?
4. Enter the following in a cash book with discount and cash columns only.

2004 March 1 Balance of cash in hand Rs. 50,000

- „ 2 Received from Pankaj Rs. 6,000
and allowed a discount Rs. 150
- „ 4 Purchased goods for cash Rs. 18,000
- „ 7 Paid Raman Rs. 2,000 and was allowed a discount of Rs. 200
- „ 9 Purchase Stationery for Rs. 400
- „ 13 Received for cash sales Rs. 13,000

2004 March 14 Paid for advertisements Rs. 1,750

- „ 20 Sam who owed Rs. 5,350 settled his account by paying Rs. 5,000
- „ 25 Received from Balan Rs. 4,000 and allowed a discount of Rs. 100
- „ 27 Paid Sridev Rs. 7,000 and was allowed a discount of Rs. 170
- „ 31 Paid salaries Rs. 1,200.

5. Arul sold goods to Brindha on 30th October 2004 for Rs. 14,000 and received three bills for Rs. 2,000, Rs. 4,000 and Rs. 8,000 at 2,3, and 4 month derivation respectively. He kept the first bill till maturity, endorsed the second bill in favour of his creditor Chandan and discounted her 3rd bill on Dec 2004 at 6% p.a. The first and second bills waves duly meet on maturity but the third bill was dishonored; the bank paying Rs. 40 as noting charges. On 10th April 2005 Brindha paid Rs. 4,000 and the noting changes in cash and accepted a new bill at 2 months after date from the balance plus Rs. 80 as interest. The new Bill was met on maturity. Give journal entries in the books Brindha.
6. Lakshmi Limited, invited applications for 5,00,000 equity shares of Rs. 10 each payable as follows.

	Rs.
With application	2
On allotment	3
On first call	2.50
On final call	2.50

Applications totalled 4,70,000 shares. The Board of Director accepted all the applications. Both each were made. All the money were duly received. You are required to pass journal entries for all the transactions and draw balance sheet after the receipt of final call money.

The following information is taken from the books of a firm

	Rs.
Sales	33,984
Gross profit	8,068
Sales returns	380
Stock at the bigining	1,378
Stock at her end	1,814

Calculate (a) Purchase (b) Rate of stock turnover and Gross profit Ratio.

From the following summarised balance sheets of Sri Krishna Ltd, prepare schedule of exchange of working capital.

Liabilities	2005 Rs.	2006 Rs.	Assets	2005 Rs.	2006 Rs.
Share capital	4,00,000	5,75,000	Plant	75,000	1,00,000
Creditors	1,06,000	70,000	Stock	1,21,000	1,36,000
P &L a/c	14,000	31,000	Debtors	1,81,000	1,70,000
			Cash	1,43,000	2,70,000
	<u>5,20,000</u>	<u>6,76,000</u>		<u>5,20,000</u>	<u>6,76,000</u>

SECTION B — (3 × 20 = 60 marks)

Answer any THREE questions.

9. Explain the various types error. Give examples.
10. Discuss the various types of accounting concepts.
11. From the following balances of Sri Harish Kumar on 30th June 2005, prepare Trading Profit and Loss a/c and Balance sheet.

Credit Balance	Rs.
Cash in hand	540
Cash at bank	2,630
Purchase	40,675
Returns inward	680
Wages	8,480
Fuel and Power	4,730
Carriage on sales	3,200
Carriage on purchase	2,040
Stock (July 1 2004)	5,760
Buildings	32,000
Free hold Land	10,000
Machinery	20,000
Patents	7,500
Salaries	15,000

Credit Balance	Rs.
General expenses	3,000
Insurance	600
Drawings	5,245
Sundry debtors	14,500
Sales	98,780
Returns outwards	500
Capital	62,000
Sundry Creditors	6,300
Rent	9,000

Additional information :

- Stock on hand on 30 June 2005 is Rs. 6,800.
- Machinery is to be depreciated at the rate of 10% and patents at the rate of 20%.
- Salary for the month 7 June 2005 amounting Rs. 1,500 was unpaid.
- Bad debts Rs. 725.
- Insurance includes a premium of Rs. 170 as a policy expiring on 31 Dec 2005.
- Rent received Rs. 1,000.

- Calculate (a) Gross profit (b) Operating Profit (c) Net profit ratio and (d) Operating profit ratio.

	Rs.
Sales	21,000
Sales return	1,000
Cost of sales	16,400
Depreciation	200
Selling expenses	700
Interest expenses	100
Income from inventories	200
Administration expenses	1,300

- Prepare a cash flow statement for the year ending 31 March 2004 from the Balance sheet given below.

Liabilities	March 31 2003	March 31 2004	Assets	March 31 2003	March 31 2004
	Rs.	Rs.		Rs.	Rs.
Share capital	5,00,000	6,50,000	Fixed assets	4,00,000	5,00,000
General reserve	1,00,000	1,50,000	Less: Depreciation	—	50,000
P & L a/c	50,000	1,50,000		4,00,000	4,50,000
7% debenture	2,00,000	2,00,000	Investment	1,00,000	1,00,000
Creditors	2,00,000	2,00,000	Debtors	2,00,000	3,00,000

Liabilities	March 31 2003	March 31 2004	Assets	March 31 2003	March 2004
	Rs.	Rs.		Rs.	Rs.
Proposed dividend	50,000	65,000	Stock	2,00,000	2,50,000
			Cash	1,50,000	3,15,000
			Mis. Expenses	50,000	-
	<u>11,00,000</u>	<u>14,15,000</u>		<u>11,00,000</u>	<u>14,15,000</u>

14. The following is the Receipts and Payment accounts of Mumbai sports for the year ending 31 ending March 2006

Receipts	Rs.	Payments	Rs.
To Balance 1st April 2005	3,000	By Rent	52,000
To Entrance fees	5,500	By Stationary	30,680
To Subscription 2004-05	2,000	By Wages	53,300
To Subscription 2005-06	1,69,000	By Billiards Table	39,000
To Subscription 2006-07	3,000	By Repairs	8,060
To Locker Rent	5,000	By Interest	15,000
To Special subscription for governor's party	34,500	By Balance 31 March 2005	23,960
	<u>2,22,000</u>		<u>2,22,000</u>
Balance b/d	23,960		

Additional information :

- Lockers Rent Rs. 600 referred to 2004-05 and Rs. 900 still owing.
- Rent Rs. 13,000, pertaining to 2004-05 and Rs. 13,000 is still due.
- Stationery expenses ect. Rs. 3,120, related to 2004-05, Still owing Rs. 3,640.
- Stationery unpaid for 2005-06 Rs. 4,680.
- Special Subscription for governor's party outstanding Rs. 5,500.

From the above information prepare an Income and expenditure at for the Bombay club for the year ending 31 March 2006.

BANKING INSTITUTIONS

(For those who joined in July 2003 and after)

Time : Three hours

Maximum : 100 marks

SECTION A — ($4 \times 10 = 40$ marks)

Answer any FOUR questions.

Answer to each question not to exceed 2 pages.

1. Explain the role of SBI in providing small scale industries finance.
2. Discuss the principles of sound lending policies of a commercial banks.
3. Mention the main defects of regional rural banks.
4. What are the main functions of NABARD?
5. List out the provisions of Banking Regulation Act 1949 relating to licensing of banking companies.
6. Write the recent developments in LIC.

7. Evaluate the role of co-operation in non-farm sector.
8. Give the main functions of development banks.

SECTION B — ($3 \times 20 = 60$ marks)

Answer any THREE questions.

Answer to each question not to exceed 4 pages.

9. Discuss the structure and defects of Indian Money Market.
10. Explain the role of Primary Co-operative Banks for the Rural Development.
11. Critically examine the monetary policy of the Reserve Bank of India.
12. Analyse the role and functioning of EXIM bank.
13. Describe the objectives and achievements of GIC.
14. List out the various services rendered of Commercial Banks.

BANKING OPERATIONS AND PROCEDURE

(For those who joined in July 2003 and after)

Time : Three hours

Maximum : 100 marks

SECTION A — (4 × 10 = 40 marks)

Answer any **FOUR** questions.

1. What is the proper function of a pass book according to Sir John Paget?
2. Define a banker's lien. Distinguish general lien from particular lien.
3. Give a specimen of a cheque and discuss its features.
4. Who is a holder in due course? What precautions should the transferee of a negotiable instrument take to qualify as a holder in due course?
5. Explain the different types of 'Factoring'.
6. State and explain the main features of negotial instrument.

7. What is a garnishee order? What steps should a banker take on receiving such an order?
8. What are the different kinds of guarantee and bring out their significance?

SECTION B — (3 × 20 = 60 marks)

Answer any THREE questions.

9. What do you understand by the term 'customer' of a bank? What are the essential features of a banker customer relationship? In what circumstances can a banker disclose the state of his customer's account to third parties?
10. Discuss the effects of entries in the passbook.
11. What precautions should a banker take before opening a new account for
 - (a) an individual
 - (b) an illiterate person
 - (c) a joint stock company.
12. Explain the different kinds of endorsements. When and how should cheques be endorsed?

13. Discuss in detail the statutory protection available to a paying banker.
14. What are the subsidiary and agency services performed by a banker?

BANK MANAGEMENT

(For those who joined in July 2003 and after)

Time : Three hours

Maximum : 100 marks

SECTION A — ($4 \times 10 = 40$ marks)

Answer any FOUR questions.

1. Distinguish between Management and Administration.
2. Explain the importance of control in Bank Management.
3. What are the limitations of Oral communication?
4. Explain the advantages of centralisation.
5. What are the advantages of training?
6. "Men-Management"—Discuss.
7. Explain the features of good organisational structure.
8. Explain the powers of General Manager of a Bank.

SECTION B — ($3 \times 20 = 60$ marks)

Answer any THREE questions.

9. What is Bank Management? Explain the features of Bank Management.
10. What is delegation? Explain the principles of delegation.
11. Explain the different types of communications in Bank Management.
12. Explain the different techniques of control in Bank Management.
13. Explain the areas in which a bank employee need training.
14. Explain the different types of organisational structure.

BANK LENDING : POLICY AND TECHNIQUES

(For those who joined in July 2003 and after)

Time : Three hours

Maximum : 100 marks

SECTION A — ($4 \times 10 = 40$ marks)

Answer any FOUR questions.

1. "Loans are the major sources of deposits" – Discuss.
2. Discuss the scope of fund flow analysis.
3. Do you recommend lending against security of real estates? State your arguments.
4. Give the meaning of NPA and write the classifications of NPA.
5. Write a brief note on 'scheduling of loan in a bank'.
6. What do you understand by scientific risk management?
7. Explain "BOOT" and "BLT" arrangements in project financing.
8. Explain the term "Leasing". What are the reasons for growing popularity on lease financing?

SECTION B — ($3 \times 20 = 60$ marks)

Answer any THREE questions.

9. State the general precautions which a banker should take while granting loans and advances.
10. Explain the various types and forms of Bank advances available to a borrower.
11. Discuss the importance of documentation. What points should be borne in mind when getting documents executed by the borrowers?
12. What is project financing? Explain the methods of project appraisal.
13. Discuss the role of commercial banks in financing to small scale industries.
14. Explain the refinancing facilities available to commercial banks from NABARD.

FOREIGN EXCHANGE MANAGEMENT

(For those who joined in July 2003 and after)

Time : Three hours

Maximum : 100 marks

SECTION A — (4 × 10 = 40 marks)

Answer any **FOUR** questions.

All questions carry equal marks.

1. What does 'Gold Standard' mean? Explain its importance in Foreign Exchange Theory.
2. Explain :
 - (a) SWAP
 - (b) Forward Exchange Market.
3. What is meant by "Foreign Exchange Rates" How are they calculated?
4. Discuss the significance and advantages of option contracts.
5. Analyse the different types of currency options and currency swaps.

6. Describe the meaning and methods of risk management in foreign Exchange Management.
7. Analyse the Foreign Exchange Reserve Trends in India.
8. Write a short note of NOSTRO.

SECTION B — ($3 \times 20 = 60$ marks)

Answer any THREE questions.

All questions carry equal marks.

9. Explain Internet Rate Parity theory with an example.
10. Discuss :
 - (a) Arbitrage
 - (b) FOREX market.
11. What does future contract means? Analyse the mechanism of future contracts.
12. Describe the meaning and process of Interest rate swaps.

13. What is meant by "forward and money market hedge"? Explain with an example.
14. Explain :
 - (a) VOSTRO
 - (b) LORO accounts