



BRAINWARE UNIVERSITY

Course – MCOM

Corporate and Infrastructure Banking (MCM404B)

(Semester – 4)

Time allotted: 3 Hours

Full Marks: 70

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group –A

(Multiple Choice Type Question)

10 x 1 = 10

1. *Choose the correct alternative from the following*

(i) In case of Locker facilities of the bank

- | | |
|---|--|
| a. The bank is responsible for the loss of any item kept in the locker | b. The bank is not responsible for loss of item kept in the locker |
| c. The responsibility of such loss depends on the agreement between the bank and the customer | d. None of the above |

(ii) The main source of income of a Commercial Bank is

- | | |
|--|-------------------------------------|
| a. Interest earned from term loans, and cash credit overdraft facilities given | b. Interest earned from investments |
| c. Both (a) & (b) | d. Neither (a) nor (b) |

(iii) ATM stands for

- | | |
|------------------------------|-----------------------------|
| a. Automative Teller Machine | b. Automated Teller Machine |
| c. Automatic Testing Machine | d. None of the above |

- (iv) Standard Assets of a Bank
- | | |
|---|--|
| a. Are all secured advances, fully recoverable | b. May be secured or unsecured advances, but fully recoverable |
| c. Either (a) or (b), but a small portion may be doubtful of recovery | d. None of the above |
- (v) Agricultural Finance Corporation of India
- | | |
|---|---|
| a. Was established by the Govt. as separate entity for financing priority agricultural projects | b. Was established as a joint venture by leading banks for financing priority agricultural projects |
| c. Was established as a subsidiary of State Bank of India | d. None of the above |
- (vi) As regarding guidelines given by the RBI in respect of treatment of NPA of a borrower
- | | |
|---|--|
| a. If one facility of the borrower is classified as NPA, then all facilities of the same borrower are to be classified as NPA | b. Each facility of the borrower will be treated on its individual merit |
| c. Either (a) or (b) depending on the agreement between the borrower and the bank | d. None of the above |
- (vii) Portfolio management services of a bank refers to
- | | |
|--|--|
| a. Process of managing an individual investor's portfolio by professionally qualified people | b. Managing of an individual's post-retirement benefits only |
| c. Both (a) and (b) | d. Neither (a) nor (b) |
- (viii) RTGS system denotes
- | | |
|---------------------------------|-------------------------------|
| a. Record Time Gross Settlement | b. Real Time Gross Settlement |
| c. Record Time Gearing System | d. None of the above |

- (ix) Open Market Operations by the RBI refers to
- a. Deliberate Increase / Decrease of the interest rate in the market
 - b. Deliberate increase / decrease in the Prime Lending Rate
 - c. Deliberate and Direct buying and selling of securities and bills in the market
 - d. All the above
- (x) A cheque is defined in the Negotiable Instruments Act as
- a. An instrument payable only on demand
 - b. An instrument drawn on a specified banker
 - c. A Bill of Exchange drawn on a specified banker and not expressed to be payable otherwise than on demand
 - d. None of the above

Group – B

(Short Answer Type Questions)

3 x 5 = 15

Answer any *three* from the following

2. State in brief the roles of a Merchant Banker [5]
3. What is Core Banking System? [5]
4. Write short notes on Tier I and Tier II Capitals of a Bank [5]
5. What are the uses of Debit & Credit Cards? [5]
6. Write a short note on - Internet Banking System. [5]

Group – C

(Long Answer Type Questions)

3 x 15 = 45

Answer any *three* from the following

7. (a) State in brief the salient features of Tandon Committee Norms on Working Capital Finance. [5]
- (b) State the role played by Commercial Banks in advancing Project Finance to Indian Industries. [10]
8. (a) Explain the factoring services rendered by a bank [5]
- (b) Under what circumstances can a banker dishonor a customer's cheque? [10]
9. (a) What are the salient features of Venture capital? [5]
- (b) What is the difference between Contingent Liabilities of a Bank, and Liabilities provided for by the bank in its Profit & Loss Account? [10]
10. (a) What is a Cheque? [5]
- (b) What are the different types of crossing of a cheque? [10]
11. State in details the steps and methods for appraisal of working capital requirement of a customer. [15]