

St. Claret College

Autonomous, Bengaluru

ROLL NO:

DATE:

PG END SEMESTER EXAMINATION-JULY/ AUGUST 2025

M.Com. SECOND SEMESTER

MCO 2124: MODERN INDIAN BANKING

TIME: 3 hours.

MAX. MARKS: 70

This paper contains TWO printed pages and FOUR parts

Instructions:

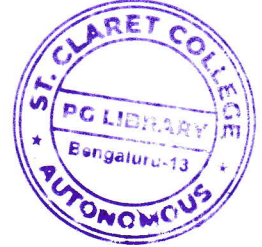
1. Verify and ensure that the question paper is completely printed.
2. Any discrepancies or questions about the exam paper must be reported to the COE within 1 hour after the examination.
3. Students must check the course title and course code before answering the questions.

PART-A

Answer SIX questions out of EIGHT. Each answer carries TWO marks.

[2x6 = 12]

1. What are Payment Banks?
2. Mention any two objectives of the Banking Regulation Act, 1949.
3. Define Repo Rate and Reverse Repo Rate.
4. What is a Non-Performing Asset (NPA)?
5. What are the pillars of Basel III Norms?
6. State two functions of the Reserve Bank of India.
7. Mention any two risks involved in banking.
8. What is meant by Asset & Liability Management?



PART-B

Answer any THREE questions out of FIVE. Each answer carries EIGHT marks.

[8x3=24]

9. Explain the various types of banks in India with their features.
10. Discuss the qualitative and quantitative tools of monetary policy used by RBI.
11. Analyze the causes and impact of NPAs on the banking sector.
12. Explain the objectives and framework of Basel III norms.
13. Describe the strategies adopted under Asset and Liability Management in banks.

PART-C

Answer any TWO questions out of THREE. Each answer carries TEN marks. [10X2=20]

14. Describe the evolution and phases of the Indian Banking System.
15. Examine the IRAC norms and their role in asset classification.
16. Discuss the risk management concepts and use of VAR, stress testing and back-testing in banks.

PART-D

Answer the following.

[14X1=14]

17. The Reserve Bank of India has recently revised the repo rate in response to rising inflation. As a banking analyst, explain the impact of this change on different types of banks (public, private, cooperative). Also, discuss how banks might adjust their ALM strategies in response to such policy changes.
