

**BIRLA INSTITUTE OF TECHNOLOGY, MESRA, RANCHI
(END SEMESTER EXAMINATION)**

**CLASS: MBA
BRANCH: MANAGEMENT**

**SEMESTER : III
SESSION : MO/2025**

SUBJECT: MT553 BANK MANAGEMENT

TIME: 3 Hours

FULL MARKS: 50

INSTRUCTIONS:

1. The question paper contains 5 questions each of 10 marks and total 50 marks.
 2. Attempt all questions.
 3. The missing data, if any, may be assumed suitably.
 4. Before attempting the question paper, be sure that you have got the correct question paper.
 5. Tables/Data hand book/Graph paper etc. to be supplied to the candidates in the examination hall.
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Q.1(a)	Discuss the meaning and definition of banking. Explain how banking activities have evolved from traditional deposit-lending institutions to modern financial intermediaries.	[5] 1	2,3
Q.1(b)	Explain the distinction between a paying banker and a collecting banker. Discuss their respective responsibilities under the Negotiable Instruments Act, 1881.	[5] 1	4
Q.2(a)	Explain the need and importance of central banking in a modern economy.	[5] 2	4
Q.2(b)	in times of inflation, what measures can RBI take to control money supply and maintain price stability? Explain with examples.	[5] 2	4
Q.3(a)	Discuss the concept of loans and advances and their importance in the business model of commercial banks.	[5] 3	3
Q.3(b)	A customer requests an overdraft facility to manage short-term liquidity issues. As a credit officer, what factors would you evaluate before sanctioning the facility?	[5] 3	4
Q.4(a)	Discuss the impact of NPAs on the profitability and liquidity of commercial banks. How do NPAs affect credit growth in the economy?	[5] 4	3
Q.4(b)	Describe the capital adequacy norms adopted by RBI. How do these norms ensure financial stability in the banking sector?	[5] 4	3
Q.5(a)	Discuss the key features and principles of Basel I, Basel II, and Basel III norms. How do these frameworks strengthen the risk management practices of banks?	[5] 5	4
Q.5(b)	A manufacturing company wants to expand exports to Africa but lacks financing. Explain how EXIM Bank of India can support the company.	[5] 5	4

:::25/11/2025:::E