

Cutting, Overwriting, Erasing, Fluid painting and use of Lead Pencil will earn no marks.  
 Write answer of the Question No.1 and 2 on this sheet and handover it to the supervisory  
 staff of examination within first 35 minutes.

Time Allowed: 35 Minutes

(OBJECTIVE PART)

Max. Marks: 32

Sign of  
 Supdt.

1- a) Encircle the correct answer:

1x8

i) Letter of credit is an example of:

a) Long Term Loan

b) Fixed Assets

c) Current Assets

d) Contingent Liability

ii) Goods offered as security if in possession of bank is called:

a) Hypothecation

b) Mortgage

c) Pledge

d) Charge

iii) To regulate supply of money the Central Bank formulates:

a) Fiscal Policy

b) Credit Policy

c) Assets Policy

d) Monetary Policy

iv) Legal reserves are held on behalf of the bank by:

a) National Assembly

b) Provincial Assembly

b) Central Bank

d) None of above

v) KIBOR is the rate at which bank price their loans in:

a) Korea

b) Kazakhstan

b) Kenya

d) None of above

vi) Basel agreement is regarding:

a) Imports

b) Exports

c) Commercial Bank

d) Central Bank

vii) Merchant Banks deal in:

a) Commodities

b) Real Estate

c) Valuables

d) Stocks

viii) When a bank offers more than one product it is known as:

a) Multiple Products

b) Product Diversification

c) Segmentation

d) None of the above

b) Encircle True or False.

1x4

i) Bank rate is fixed by the Central Bank.

True \ False

ii) Demand Draft is an instrument issued by the bank for remittance of money.

True \ False

iii) Letter of Credit is reported on liabilities side of the balance of the bank.

True \ False

iv) Certification of Deposit is a non interest bearing receipt.

True \ False

c) Fill in the blank meaningfully:

1x4

i) Protecting the personal information of a customer is known as \_\_\_\_\_.

ii) \_\_\_\_\_ is a measure of how far a bank assets grow.

iii) Short term inventory loans that support production and sale of goods is known as \_\_\_\_\_.

iv) \_\_\_\_\_ is a contract setting the maximum and minimum interest rate.

(Continued Overleaf)



**2- Give short answers to the following questions:**

2x8

i) Open Market Operation.

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ii) Agency Offices.

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iii) Return on Assets.

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iv) Relationship Pricing.

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v) Credit Swaps.

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vi) Funds Management.

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vii) Convergence.

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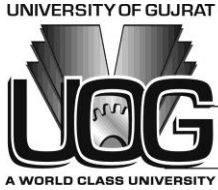
viii) Contingent Liabilities.

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(M.Com Part-II) **Commercial Bank Management**

Roll No: \_\_\_\_\_

Time Allowed : 2:25 hrs  
Max. Marks : 68

Attempt **FOUR** Questions in all. All Questions carry equal marks.

**SUBJECTIVE PART**

- 3- Explain in detail the items of Income Statement of Banking Company. 17
- 4- Define Asset Liability Management and explain different Strategies for Asset Liabilities Management. 17
- 5- Explain in detail different Types of Bank Deposit. 17
- 6- What are Different Steps in LENDING PROCESS? 17
- 7- To secure its interest what Factors does the Bank consider while evaluating Application for  
Real Estate Loan? 17
- 8- Define MERGER and explain Motives behind rapid growth of Mergers. 17