MS–422

MANAGEMENT PROGRAMME (BANKING AND FINANCE) (MPB)

Term-End Examination

December, 2024

MS-422 : BANK FINANCIAL MANAGEMENT

Time : 3 Hours *Maximum Marks : 100*

Weightage : 70%

Note : *Attempt any **five** questions. All questions carry equal marks.*

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1. Discuss the objectives and scope of Financial Management in Banking Industry. Describe the Asset Liability Management (ALM) process. Discuss the impact of liquidity and risk in this process.

2. What are owned funds of Banks ? How is capital of banks classified ? Explain the different types of 'Reserves and Surpluses' as are shown in Balance Sheets of Banks.

3. What are the important sources of 'Borrowed Funds' for banks in India ? Describe the various sources/facilities through which banks can borrow funds within India.

4. What are the major forms of bank's investment ? State the classification of securities for Balance Sheet purposes. Describe the functions performed by Treasury Department in banks.

5. Briefly explain various project appraisal methods and describe techniques of measuring project risk.

6. What is Credit Risk ? Discuss the scope and significance of credit risk measurement and management. Explain the approaches to credit risk measurement.

7. What is Liquidity Risk ? Explain the approaches used to measure liquidity risk at Balance sheet level.

8. What are the various types of mergers ? Discuss the motives for mergers in general and for banks in particular. Describe the procedure for amalgamation of banking companies in India.

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