

**GUJARAT TECHNOLOGICAL UNIVERSITY****MBA - SEMESTER-III • EXAMINATION – WINTER 2013****Subject Code: 2830602****Date: 20-12-2013****Subject Name: Banking Operations Management (BOM)****Time: 14:30 pm – 17:30 pm****Total Marks: 70****Instructions:**

- 1. Attempt all questions.**
- 2. Make suitable assumptions wherever necessary.**
- 3. Figures to the right indicate full marks.**

- Q.1** (a) “Is Nomination is Necessary or Compulsory”- Comment. How a customer can avail nomination facility in his account. Can a “minor” is eligible for a nomination in account? If yes, State the requirements. **07**
- (b) Define a Negotiable instrument. What are the main categories of Negotiable Instruments? State and explain the main features of Negotiable instruments. **07**
- Q.2** (a) Describe with illustrations the various forms of crossing of cheque. If payment is made on a crossed cheque which has been stolen, on whom will the loss fall and why? **07**
- (b) Define endorsement? Explain the different types of endorsements? What are the General Principles governing endorsements? **07**

**OR**

- (b) Discuss the basic management functions planning, organizing and Controlling performed at a Bank in detail. **07**
- Q.3** (a) What do you understand by Capital Adequacy Requirement for a bank? What purpose does it serve? Explain the various items that constitute Tier I and Tier II Capital of Banks. **07**
- (b) What are the secured and unsecured advances of the bank? Discuss the various types of advances? What precautions should a banker take while making unsecured advances? **07**
- Q.3** (a) What is RTGS? Why and where it is Used? How RTGS is different from NEFT? **07**
- (b) What Constitutes a Pledge? What are its essential ingredients? What are its advantages over the other forms of charges say Hypothecation and Mortgage? **07**
- Q.4** (a) What procedure does a banker follow in opening a new account? What precautions does he take in opening the account for a Company and a Trust? Why? **07**
- (b) Define payment in due course as per Section 10. What are the essential features of payment in due course? Amplify your answer by giving a few examples of payments which would not be payments in due course. **07**

**OR**

- Q.4** (a) Why do some banks want to sell NPAs and others want to purchase? Give details of the guidelines issued by RBI in this regard. **07**
- (b) When are bills of exchange, promissory notes or cheques said to be dishonoured? Who should give notice of dishonor and to Whom? **07**

- Q.5 (a)** As a manager, how will you deal with the following cases? Give your reasons: **07**
- I. Your customer sends a crossed order cheque drawn by A in favour of your bank, for crediting it to his account with your bank.
  - II. A firm having A, B and C as partners enjoys an overdraft limit of Rs 1 lakh with the bank. A communication is received by the bank that A died on 20<sup>th</sup> April, 2012. On 21<sup>st</sup> April 2012 two cheques signed by the deceased partner on 18<sup>th</sup> April, 2012 are presented for the payment.
- (b)** Write a short note on Role and Importance of Information Technology (IT) in New Age Universal Banking. **07**

**OR**

- Q.5 (a)** Write Short Notes on: **07**
- I. ECS
  - II. Mobile banking
- (b)** Indicate the distinction between: **07**
- I. Right of set-off and Banker's Lien
  - II. SLR & CRR

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