

College Name: _____

Student Name: _____ Seat No: _____

Copy No: _____

**KARACHI UNIVERSITY BUSINESS SCHOOL
UNIVERSITY OF KARACHI
FINAL EXAMINATION DECEMBER 2016; AFFILIATED COLLEGE
BANKING OPERATIONS & MANAGEMENT; BA (M)-682 (PART B)
MBA-IV**

Date: January 13, 2017

Max Time: 2 Hrs

Max Marks: 40

INSTRUCTIONS:

- 1. Attempt any 4 Questions. Do not write anything on the question paper.**
- 2. Mobile Phone(s) or any other communicating device will not be allowed in the examination room. Students will have to remove the batteries of these devices before entering the examination hall.**

- Q1 a) Define the terms "banker" and "customer".
b) State any three types of relationships that can exist between a "banker" and a "customer".
- Q2 a) What is the concept of right of "set off"?
b) State any four conditions which must be met before the bank can exercise the right of "set off".
- Q3 a) What is "Endorsement"? State its 4 key features.
b) Describe any 4 different types of endorsements used in day to day banking.
- Q4 By exploring answers to certain potential questions relating to the prospective borrower, a lending institution can achieve the main aim of successful lending. List at least five such relevant questions.
- Q5 Bankers very often compute several types of ratios to understand the financial strengths of a prospective borrower.
A. Highlight any 4 reasons/benefits of calculating ratios.
B. What is the difference between profitability ratio and operating ratio? Explain with the help of examples.
C. What 4 ratios would you calculate for a manufacturing concern, as a lender?
D. What 4 ratios would you calculate for a services concern, as a lender?
- Q6 Define the following:
I. Hypothecation
II. Mortgage
III. Lien
IV. Floating charge
V. Pledge agreement
VI. Guarantee
VII. Trust Receipt

END OF SUBJECTIVE PAPER