

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA SEMESTER- IV - EXAMINATION-SUMMER-2024

Subject Code: 4549292**Date: 01/05/2024****Subject Name: Banking****Time: 10:30 AM TO 01:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

- Q.1** Explain the following terminologies: **14**
- (a) NPA (Non-Performing Assets)
 - (b) Repo Rate and Reverse Repo Rate
 - (c) KYC (Know Your Customer)
 - (d) Priority Sector Lending
 - (e) Demonetization
 - (f) E wallets
 - (g) Financial Inclusion
- Q.2** (a) Explain the concept of retail banking and highlight the key drivers of retail business in India **07**
- (b) Explain the concept of wholesale banking and outline the products and services it typically offers. **07**
- OR**
- (b) Explain the concept, stages, and objectives of Anti Money Laundering \ (AML). **07**
- Q.3** (a) Explain the principles of sound lending that financial institutions follow while disbursing loans **07**
- (b) Explain the types of charging securities, including pledge, hypothecation, mortgage, and lien **07**
- OR**
- Q.3** (a) Differentiate between various types of advances, including loan, cash credit, overdraft, term loans, and bills purchasing and discounting **07**
- (b) Provide an overview of microfinance, including products and services. **07**
- Q.4** (a) Explain the meaning of Life insurance. Illustrate the advantages of life insurance **07**
- (b) What are the common causes of Non-Performing Assets (NPAs) in the banking sector? **07**
- OR**
- Q.4** (a) Explain the management of NPAs in the banking sector **07**
- (b) Provide an overview of the major provisions of the Insolvency & Bankruptcy Code (IBC) in India. **07**
- Q.5** **Case: The Shift to Digital Banking**

In the fictional town of Oakville, there is a small but bustling community that heavily relies on the local bank, Oakville Community Bank (OCB), for its

financial needs. For decades, OCB has been offering traditional offline banking services to its customers, which include in-person transactions, paper-based account statements, and physical branch visits. However, in recent times, the bank has been facing challenges as customers increasingly express a desire for more convenient and technologically advanced banking solutions.

To address these changing preferences, OCB is contemplating the introduction of electronic or internet banking services. The management believes that embracing digital transformation is crucial to staying competitive and meeting the evolving needs of its customers.

Questions:

(a) Why is it important for Oakville Community Bank (OCB) to consider the shift to electronic or internet banking in the context of changing customer preferences? **07**

(b) What specific advantages can electronic or internet banking offer to both Oakville Community Bank (OCB) and its customers in comparison to traditional offline banking? **07**

OR

Q.5 (a) Discuss the Electronic Clearing Service (ECS) Credit Transfer and Debit, including their benefits **07**

(b) Elaborate on the concept and benefits of Cheque Truncation in the Payment & Settlement System **07**
