

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER –IV-EXAMINATION – WINTER-2022

Subject Code: 4549292

Date: 17/12/2022

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.

Q. No.	Question Text and Description		Marks
Q.1	Explain the following terms. (a) Merchant Banking (b) Microfinance (c) NPA (d) SARFAESI (e) Hire Purchase (f) Plastic Money (g) International Banking		14
Q.2	(a)	Explain Social Banking with special context to SHGs in India.	07
	(b)	What is Internet Banking? Differentiate between Corporate & Retail Internet Banking.	07
OR			
	(b)	Which are the different modes of charging securities by the banks.	07
Q.3	(a)	Suppose Mr. X is running a business with a annual turnover of INR 5 cr. He plans to do expansion and want to apply for business loan. Explain the Process and documentation required for the same.	07
	(b)	Which are different types of advances available in Indian Banking system with their usage.	07
OR			
Q.3	(a)	What is Electronic Fund Transfer? Explain its merits & demerits in detail.	07
	(b)	Describe the Delivery model of Microfinance in India with example.	07
Q.4	(a)	Explain the features & benefit of online fund transfer facilities like RTGS, NEFT & IMPS.	07
	(b)	How has the Indian Banking system been affected due to COVID-19 crisis?	07
OR			
Q.4	(a)	What are different types of loans provided by Banks?	07
	(b)	“Banking system of County leads to Economic growth” Elaborate	07

Q.5	CASE STUDY		
	Increasing of Banking Frauds in India		
	<p>Indian Banking Industry is facing fraud related issues for the past few years. Indian Banks, especially Public Sector Banks are suffering from mounting losses and rise in NPAs on account of increased level of the number of frauds. In most of the cases there is a involvement of top level management creating halt on banking activities. Loan sanctioning for new projects as happened in recent case of Nirav Modi, have brought sufferings for the industry. Many of the top executives have been charged for alleged corruption and deceitful intentions in granting loans. This creates a question mark on corporate governance and ethics in the industry. In fact, the menace of rising NPA is a global crisis that is responsible for slowdown in industry.</p> <p>The strength of financial system of any economy can be judged by its level of production and consumption. The living standard and status of people can be judged with soundness of financial system; but if financial system is packed with frauds and high degree of NPAs, it should be a cause of worry for any nation. The Indian economy, in fact, is suffering for the past many years from these issues.</p> <p>Bank frauds are not only related to Advances or loan related activities, but also to Deposits and Services. In short frauds are divided into three parts-Deposit related, Advance Related and Service Related. The various reasons of increasing frauds in Banking and Financial services are increasing use of technology. On one side, the technology is giving many comforts and benefits like paperless transactions, cashless transitions and Direct home services, on the other hand however, it is also increasing risks such as spread of viruses, occurrence of financial frauds by various means like identity theft, phishing, card skimming. Fraudsters are employing newer and diverse means like, spyware, social engineering, Trojans, website cloning and cyber stalking and so on for their illegal activities.</p>		
(a)	What are the different types of risk factor involved in financial sector?	07	
(b)	What are the damages caused by the money laundering to the society and the financial institute?	07	
OR			
Q.5	(a)	NPA is arising due to money laundering what are the steps a bank should take to control NPA.	07
	(b)	Explain in detail the impact of Banking frauds on different stakeholders.	07
