

Reg. No.

Question Paper Code

21300

M.B.A - DEGREE EXAMINATIONS, NOV/DEC 2022

Third Semester

Master of Business Administration

20MBF303 - INDIAN BANKING AND FINANCIAL SYSTEM

(Regulation 2020)

Duration: 3 Hours

Max. Marks: 100

PART - A (10 × 2 = 20 Marks)

Answer ALL Questions

- | | <i>Marks,
K-Level, CO</i> |
|--|-------------------------------|
| 1. Recall the components of the Indian financial system. | 2,K1,CO1 |
| 2. Define the term negotiable instruments. | 2,K1,CO1 |
| 3. Interpret the capital adequacy ratio of a bank. | 2,K2,CO2 |
| 4. Illustrate the deposit sources of bank funds in Indian banking companies. | 2,K2,CO2 |
| 5. Examine the need for credit monitoring. | 2,K2,CO3 |
| 6. Identify the signals of borrower's financial sickness. | 2,K2,CO3 |
| 7. Analyze the various schemes of mutual funds and its merits and demerits. | 2,K4,CO4 |
| 8. List the basic concepts of CAMELS. | 2,K4,CO4 |
| 9. Select the different types of E-Payments in India. | 2,K2,CO5 |
| 10. Evaluate any two merits of electronic banking in India. | 2,K2,CO5 |

PART - B (5 × 13 = 65 Marks)

Answer ALL Questions

11. a) Discuss-“The overview of the Indian banking system” in detail. 13,K3,CO1
- OR**
- b) Choose a financial statement of a bank of your choice and explain with example. 13,K4,CO1
12. a) Classify the different types of loans and their features. 13,K3,CO2
- OR**
- b) “Designing of deposit schemes and pricing of deposit services is an important function of a banker”-Explain. 13,K4,CO2
13. a) Apply the various models to predict financial sickness of a financial institution. 13,K3,CO3

OR

K1 – Remember; K2 – Understand; K3 – Apply; K4 – Analyze; K5 – Evaluate; K6 – Create

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- b) Organize the difference between distance to default and Z score model of financial distress prediction model. 13,K4,CO3
14. a) Examine the "CAMELS" as a rating system for measuring performance of a bank. 13,K4,CO4
- OR**
- b) Examine the functions of banks towards mergers and diversification into the securities market. 13,K4,CO4
15. a) Evaluate the different security threats in E-banking with suitable examples. 13,K4,CO5
- OR**
- b) Explain the advantages and features of CTS with information communication and technology. 13,K2,CO5

PART - C (1 × 15 = 15 Marks)
(Compulsory)

16. a) Indian economy has come a long way from late 1980s when the computerization in banking sector has just begun to the present era of digital banking where smart phones are ruling. The demonetization exercise of November 2016 was very much instrumental in giving a push to the economy towards going digital. Although, cash is still considered very essential by the customers, the popularity of alternate modes of payment like mobile wallets and platforms like UPI and BHIM app is on the rise. There is little doubt that digital banking has brought in amazing customer experience with significant improvement in the delivery of banking services. However, Indian banking sector will have to overcome many challenges to make digital banking pervasive. Internet connectivity and associated digital infrastructure is to be ensured for making the digital dream a reality. Then there is the risk of cyber threats which may cause significant disruptions in the banking services apart from risks related to sensitive customer information and internet frauds. It will be interesting to see how these challenges are dealt with by the banking sector. The government and other stakeholders have an important role to play here. That will decide the pace and direction of the digital journey of our nation.

Questions:

1. Elaborate on why are banks investing on digital technologies? 7,K5,CO6
8,K5,CO6
2. Predict the future of digital banking?