

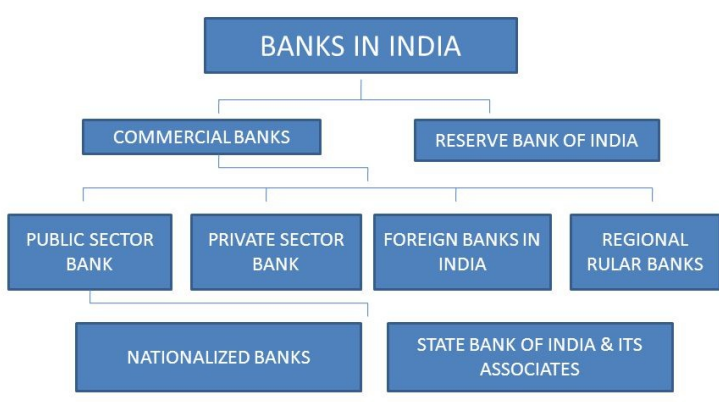
**Scheme Of Evaluation
Internal Assessment Test 1– Sep 2019**

Sub: **BANKING AND FINANCIAL SERVICES**
 06-9- Max
 Date: 2019 Duration: 90mins Marks: 50 **Sem:** III

Code: 18MBAFM301
Branch: MBA

Note: Part A - Answer Any Two Full Questions (20*02=40 Marks)

Part B - Compulsory (01*10= 10marks)

Part	Question #	Description	Marks Distribution	Max Marks	
	1	a	Write any three bank names	3	20 M
		b	<ul style="list-style-type: none"> • Reduction in CRR and SLR • Phasing out Directed Credit Programmes • Interest Rate Deregulation • Structural Reorganization of Banks • Change in the Control Structure of Banks • Establishment of ARF tribunal • Change in Classification of Assets • Allowing Banks to raise Capital • Liberalization of Capital Markets 	7	
		c	<p><u>Banking Structure in India</u></p>  <pre> graph TD A[BANKS IN INDIA] --> B[COMMERCIAL BANKS] A --> C[RESERVE BANK OF INDIA] B --> D[PUBLIC SECTOR BANK] B --> E[PRIVATE SECTOR BANK] B --> F[FOREIGN BANKS IN INDIA] B --> G[REGIONAL RULAR BANKS] D --> H[NATIONALIZED BANKS] E --> H F --> I[STATE BANK OF INDIA & ITS ASSOCIATES] G --> I </pre>	10	

	2	a	Online banking, also known as internet banking, is an electronic payment system that enables customers of a bank or other financial institution to conduct a range of financial transactions through the financial institution's website.	3	20 M
		b	The general role of commercial banks is to provide financial services to general public and business, ensuring economic and social stability and sustainable growth of the economy. ... The study portrays how loans and credit affect the GDP and consequently the level of economic growth of India.	7	
		c	The special electronic fund transfer (SEFT) system was introduced in April 2003 (subsequently discontinued in March 2006, after the implementation of the National Electronic Fund Transfer (NEFT) system in November 2005) and the real-time gross settlement (RTGS) system in March 2004. RTGS,IMPS,NEFT etc.	10	
	3	a	A debit card is not a credit card. When you use a debit card, the money is deducted from your checking account. With a credit card, you're borrowing money to be repaid later. ATM and debit cards are also a convenient way to make purchases without carrying cash that help you keep better track of the money you spend. Contactless smart card technology is used in applications that need to protect personal information and/or deliver fast, secure transactions, such as transit fare payment cards, government and corporate identification cards, documents such as electronic passports and visas, and financial payment cards.	3	20 M
		b	Sources of funding include credit, venture capital, donations, grants, savings, subsidies, and taxes. Funding such as donations, subsidies, and grants that have no direct requirement for return of investment are described as "soft funding" or "crowd funding".	7	
		c	Quantitative or traditional methods of credit control include banks rate policy, open market operations and variable reserve ratio. Qualitative or selective methods of credit control include regulation of margin requirement, credit rationing, regulation of consumer credit and direct action.	10	
B	4	a)	The banking system in India works according to the guidelines issued by the RBI. Every bank should deposit a certain amount in the RBI. The commercial banks have the power to borrow the money from the RBI when they are in need of finance. Hence it is known as the lender of the last resort.	5	10 M

		b)	Accepting deposits and Advancing loans can be termed as Primary functions of bank, while the secondary functions of the bank include (1) Agency Services and (2) General Utility Services. As we mentioned, one of the most important function of the Commercial Banks is to accept deposits.	5	
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