



MUTHAYAMMAL ENGINEERING COLLEGE

(An Autonomous Institution)

(Approved by AICTE, New Delhi, Accredited by NAAC & Affiliated to Anna University)



Rasipuram - 637 408, Namakkal Dist., Tamil Nadu

DEPARTMENT OF MANAGEMENT STUDIES

19MBC14-BANKING AND INDIAN FINANCIAL SYSTEM

UNIT I

PART A

2 MARKS

1. What do you mean banking?
2. Define Banking.
3. List out the functions of banks.
4. Sketch out the structure of banking system in India.
5. What are the primary functions of Commercial bank?
6. What are the secondary functions of Commercial banks?
7. What is co-operative bank?
8. Who is said to be non scheduled banks?
9. Define Negotiable instrument.
10. Mention the different types of negotiable instrument.

PART B 13 MARKS

1. i) Explain the features and functions of a commercial bank.
ii) Draw the outline of the structure of Indian banking system and explain.
2. i) Define co-operative banks. Explain the features and types of co-operative banks.
ii) Write a short note on
 - a) RBI, 1934
 - b) Banking regulation Act, 1949
3. i) Define negotiable Instrument act, 1881. Explain the characteristics and types of negotiable Instrument act.
ii) Explain the primary and secondary relationship exist between Banker and customer
4. i) Describe the rights of a banker
ii) Explain in detail regarding the duties of a banker.
5. i) Elaborate the financial statements and income statements of banks.
ii) Explain the steps involved in credit analysis. Elaborate the credit management process.

UNIT II

PART A

2 MARKS

1. What is capital adequacy?
2. Expand BCBS & CAR
3. Write the formula for Capital Adequacy Ratio in India.
4. What is Credit Risk?
5. What is Market Risk?
6. What do you mean by deposits?
7. What are the different types of deposit Account?
8. What is Non Resident Indian accounts?

9. What is CD's?
10. What is Commercial papers?

PART B

13MARKS

1. i) Define Capital adequacy norms. Explain the capital funding and strategies and norms for capital adequacy.
ii) Describe the designing of deposit schemes in brief.
2. i) Explain the various non deposit sources of bank in detail.
ii) Elaborate the pricing of deposit services.
3. i) Describe the bank investment policy in detail.
ii) Explain the principles of lending and loan policy. Discuss the non fund based lending.
4. i) Describe the investment and lending functions of banks.
ii) Illustrate all the types of fund based lending with their advantages and disadvantages.
5. i) Describe the pricing of loans. Explain the major components of a typical loan policy document.
ii) Write note on customer profitability analysis.

UNIT III

PART A

2 MARKS

1. Expansion and meaning for IBRD ?
2. Expand IBRD, IFC.
3. Expand IDA & NABARD.
4. Write the meaning and definition of NHB .
5. What is investment?
6. Write 5 types of World Bank?
7. What is development bank?
8. Explain state level investment institution?
9. List the types of world banks?
10. Write down the meaning and definition for NABARD?

PART B 13MARKS

1. i) Write short notes on:
(a) IBRD
(b) IFC
(c) IDA
ii) Explain in brief about micro financing institutions?
2. i) Write short notes on:
(a) NABARD
(b) NHB
ii) Write a brief note on development bank in India?
3. i) Write down the types of World Bank and Explain in brief of two banks.
ii) Write your own thoughts about NABARD?
4. i) Write a short notes on:
(a) NHB
(b) IDA
(c) IBRD

- ii) Write a note on state level institutions?
- 5.i) Discuss about the NABARD?
- ii) Explain about the specialized financial institution?

UNIT IV
PART A

2 MARKS

1. What is credit monitoring?
2. Define Risk Management.
3. List out the steps involved in risk management process.
4. What is Interest Rate Risk?
5. State the ways to manage the risk.
6. What do you mean by forex risk?
7. What is credit risk?
8. State the different types of credit risk.
9. What is GAP analysis?
10. Mention the factors to be analysed in rating methodology?

PART B

13MARKS

- 1.i)What are the signals of borrowers financial sickness? Explain the debt restructuring for sick companies. Also describe rehabilitation process.
 - ii)Explain the indicators of financial distress. Discuss the financial distress prediction models.
- 2.i)Discuss the risk measurement process. What are the advantages of risk management?
 - ii).Explain the measures of interest rate of risk
- 3.i)Define risk. Explain the various types of risk.
 - ii).Explain VAR and its models.
- 4 .i)Discuss the sources and process of liquidity risk management.
 - ii)Describe the management of foreign exchange exposure.
- 5.i) What are the types of credit risk? Explain the methods of mitigating credit risk.
 - ii).Explain the measurement of operational Risk.

UNIT V
PART A

2 MARKS

1. Expand ECS, ACH,EFT, MICR & RTGS
2. Define ECS?
3. Write a short note on ECS Credit?
4. What is EFT's?
5. What is RTGS?
6. Give different structure of RTGS.
7. Write some advantages of NEFT.
8. What do you mean by e-banking?
9. Write the uses of Internet Banking.
10. What is plastic money?

PART B 13 MARKS

- 1.i)Explain the concept of payment systems in India. Discuss the paper based and e-payment system.
 - ii)What do you mean by EFT? Describe the types and advantages of EFT.
- 2.i)Explain the concept of RTGS. Discuss the role and advantages of RTGS.

- ii). Explain the concept of NEFT. Describe the process flow of NEFT.
- 3.i) What do you mean by e-banking? Discuss the advantages and disadvantages of e-banking.
 - ii) Explain the security threats in e-banking and RBI initiatives.
- 4.i) What do you mean by plastic money and e-money? Discuss different forms of plastic company.
 - ii). Explain the features of credit cards. Also discuss the advantages and disadvantages of credit cards
- 5.i) Discuss the advantages and disadvantages of debit cards. Differentiate between credit and debit cards.
 - ii). Explain the working of ATMs. Also describe the forecasting of cash demand at ATMs.