

Name:	 UPES UNIVERSITY WITH A PURPOSE
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, December 2019 SET II

Course: Banking Services & Operation

Semester: III

Program: B.com (Hons) Banking Management & Insurance

Time: 03 Hours

Course code: FINC2026

Max. Marks: 100

Instructions:

Section 'A' is for 20 marks. In section 'A', attempt all question, each statement carries 2 marks.

Section 'B' is for 20 marks. In section 'B', attempt all (four) questions each question carries 5 marks.

Section 'C' is for 30 marks. In section 'C', attempt all (three) questions each question carries 10 marks.

Section 'D' is for 30 marks. In section 'D', attempt all questions each question carries 30 marks.

SECTION A

(20 Marks)

Q1	As per provisions of SARFAESI ACT 2002, a notice is required to be given to the defaulter debtor. This notice period prescribed is (a) 3 months (b) 60 days (c) 6 months. (d) 90 days	2 CO3
Q2	A general provision is required even standard assets. The rate of provision is (a) 10% (b) 20% (c) 25% (c) 35%	2 CO3
Q3	For treating the loan as NDA, the period of default has been reduced which is now (a) 90 days (b) 180 days (c) 60 days (d) 30 days	2 CO3
Q4	Present rate of Statutory Liquidity Ratio (SLR) (a) 15% (b) 19% (c) 10% (d) 22%	2 CO1
Q5	RRB's are joint ventures of Central Government, State Govt. and sponsored bank with a share capital contribution of (a) 50% (b) 15% (c) 35% (d) All of the Above	2 CO2
Q6	Stages of Securitization are (a) Issue Process (b) Transfer Process (c) Identification (d) All of the Above	2 CO3
Q7	Fees payable by borrower in loan syndication is (a) Interest fee (b) Loan fee (c) Commitment fee (d) Agreement Fee	2 CO2
Q8	SARFAESI Act effective from (a) 8.06.2002 (b) 15.06.2002 (c) 21.06.2002 (d) 25.06.2002	2 CO3
Q9	The National Bank for Agriculture & Rural Development (NABARD) was established in the year (a) 1980 (b) 1982 (c) 1985 (d) 1984	2 CO2
Q10	Present Bank Rate is (a) 6% (b) 5.65% (c) 6.75% (d) 7.15%	2 CO1

SECTION B		(20 Marks)
Q1	Difference Between RTGS and NEFT	5 CO4
Q2	Write in brief origin and function of RRB"s.	5 CO2
Q3	Write a brief not on banc assurance.	5 CO4
Q4	Explain in brief Service Area Approach	5 CO2
SECTION-C (3*10 = 30 Marks)		
Q1	Describe Securitization of debts ? Explain Stages and Advantages ?	10 CO3
Q2	Explain Letter of Credit and its whole process?	10 CO3
Q3	"In the old system of clearing cheques, issuer could use the clearing float but with innovation of sophisticated clearing system, it is difficult to use clearing float" explain	10 CO4
SECTION-D CASE STUDY		(30 Marks)
Q1	<p>You are working as loan appraisal officer in a bank and you are required to critical examine the proposal and recommend the source to the Sr. Manager for sanction. A customer wants a loan of Rs. 10 lakhs. He has offered follow as security for loan-</p> <ol style="list-style-type: none"> 1. Flat in upcoming colony purchased at a price of Rs. 9 lakh 3 years back. Its present market value is Rs. 15 lakhs. 2. A LIC policy of Rs. 20 lakh of 20 years which has already run for 12 years. 3. One thousand fully paid up shares of Rs. 100 each of a company. Present market price of one share is Rs. 120. 4. Gold ornaments weighing 500 grams of which present value is around Rs. 12,50,000/-. <p>Which of above 4 you consider most safe security for a loan of Rs. 10 lakhs and why?</p>	30 CO3