

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 600086
(For candidates admitted during the academic year 2019-2020 and thereafter)

COURSE CODE: 19VB/VM/RC26

B.VOC DEGREE EXAMINATION - APRIL 2022
BANKING, FINANCIAL SERVICES AND INSURANCE
SECOND SEMESTER

COURSE : MAJOR – CORE
PAPER : RETAIL, CORPORATE, SMALL AND MEDIUM ENTERPRISES
BANKING
TIME : 3 HOURS **MAX. MARKS: 100**

SECTION – A

Answer ALL Questions: (10x2 = 20)

1. Define Retail Banking.
2. What is strategic Business Unit approach?
3. List any two reasons for obtaining factoring services.
4. What is a centralized model for banking products?
5. List down any four banking products that would be demanded under the concept of safety needs.
6. What is KYC?
7. Who is a Custodian?
8. Write a note on factoring.
9. State any two reasons why credit score is important in providing loan to a customer.
10. When is a Loan considered to be defaulted?

SECTION B

Answer Any FIVE Questions: (5x4=20)

11. What are the challenges faced by SMEs due to inadequate finance?
12. Explain the following banking products
a) Personal loans b) Educational loan
13. Write a note on the role of a debt-recovery agent in the debt-recovery process
14. Identify the recent technological changes in retail banking products.
15. “Client base will be large and therefore the risk is spread across the customer base in retail banking” Justify the statement.
16. Bring out any four differences between retail and corporate banking.
17. Explain the characteristics of retail banking.

SECTION C

Answer Any TWO Questions: (2x15=30)

18. Discuss the various business process structure in retail banking.
19. Enumerate the services offered by the corporate banks and explain its significance.
20. Explain the role of retail banking in the development of Indian Banking.

SECTION-D**CASE STUDY ANALYSIS****(30 Marks)**

21. Banks in recent times have failed as a result of loan recovery problems. Loan is the major source of bank profitability. However, in going about their lending activities, banks have their own objectives among which are profitability, growth, safety, suitability and liquidity. Loans, when not recovered could adversely affect banks. It is easily granted than recovered. It usually needs proficiency i.e., competency and expertise in the recovery process. It sometimes becomes an uphill task to recover. When they are not recovered, the impact is often disastrous to the bank. It can lead to illiquidity, insolvency and even distress as the case may be. There is therefore a need for arriving at strategies for efficient loan recovery. That is the peak of the problem. Questions:

- a. What are the several problems faced during loan recovery? (10 marks)
- b. Suggest measures to reduce the limit of loan default. (10 marks)
- c. Explain the effects of loan default on banks. (10 marks)
