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Register Number:

DATE:

**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

**BBA – III SEMESTER**

**SEMESTER EXAMINATION: OCTOBER 2021**

**(Examination conducted in January - March 2022)**

**BBA 3319 - Banking Theory & Practice**

Time- 2 ½ hrs Max Marks-70

**This paper contains two printed pages and four parts**

**Section A**

**I.** Answer ***any five*** of the following (**2 x 5 = 10 marks)**

1. Give the meaning of commercial bank.
2. State any two features of a joint account.
3. What is an endorsement?
4. Who is a paying banker?
5. What are anti-dated cheques and stale cheques?
6. What is a Non-Performing Asset (NPA)?

**Section B**

**II.** Answer ***any three*** of the following (**5 x 3 = 15 marks)**

1. Discuss the general relationship between banker and customer.
2. Who is a Collecting banker? Briefly explain his duties towards the customer.
3. What is the role of banks in development of Indian economy?
4. What are the precautions that the banker must take before providing a loan to a customer?

**Section C**

**III.** Answer ***any two*** of the following (**15 x 2 = 30 marks)**

1. Define a ‘cheque’. What are the essentials of a valid cheque? State the reasons for the dishonour of cheques.
2. Explain the process of opening an online savings bank account. What are its features?
3. Elucidate the functions of commercial banks?

**Section D**

**IV. Answer the following (15marks)**

1. Previously Banking was a time-consuming process. Customers had to keep a track of transactions or banking history through physical documents. However, digitalization has now allowed everyone to experience paperless banking. The technological expansion has been a major driving force behind the growth of the banking sector in India. With increasing customer expectations, banks developed innovative products and services to ensure customer satisfaction. Digitalization has redefined banking operations, products and services. Customers can perform transactions smoothly with higher speed, accuracy, and convenience. It has modified the way banks connect with their customers. The year 2020 highlighted the dire need to adapt to digital technologies across all sectors as soon as possible.

Digital banking is the computerization of traditional banking services. It enables the bank’s customers to access banking products and use banking services via an online/electronic platform. It is the digitalization of all banking operations to substitute the bank’s physical presence, eliminating the customer’s need to visit the branch. Digital Banking Includes Activities Like:

• Cash deposits, withdrawals, and transfers

• Bill Payments

• Account management and services

• Applying for financial products

• Loan Management

• Portfolio Management

• Investment in financial services

1. Banking in the digital world: a choice or a necessity? (7 Marks)
2. What are the recent trends in the banking industry? (8 Marks)