

**BACHELOR OF BUSINESS ADMINISTRATION
SIXTH SEMESTER [SPECIAL REPEAT]
FINANCIAL INSTITUTIONS AND MARKET
BBA – 603**

**SET
A**

[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 3 hrs.

Full Marks: 70

Time: 30 mins.

(Objective)

Marks: 20

Choose the correct answer from the following:

1 × 20 = 20

1. When bank receive deposit from customer, then the bank becomes _____ of the customer
 - a. Creditor
 - b. Bailee
 - c. Debtor
 - d. Trustee
2. Which of the following system of banking contributes to banking monopoly?
 - a. Unit banking
 - b. Chain banking
 - c. Group banking
 - d. Branch banking
3. How many pillars were there in the Basel-II framework?
 - a. Four
 - b. Two
 - c. Three
 - d. one
4. What is the full-form of NBFC?
 - a. Non-Bank Financial Competition
 - b. Non-Bank Foreign Company
 - c. Non-Banking Financial Company
 - d. Non-Banking Finance Corporation
5. A _____ is a specialised firm that finances young start up firms
 - a. Venture capital
 - b. Merchant bank
 - c. Banks
 - d. None of the above
6. _____ is a road towards high growth in economy
 - a. Venture capital
 - b. Both a & b
 - c. Merchant banking
 - d. None of the above
7. Venture capital firms are usually organised as
 - a. Closed end mutual fund
 - b. Limited partnership
 - c. corporation
 - d. None of the above
8. Which among the following is not one of the pillars of Basel-II framework?
 - a. Minimum Capital Requirements
 - b. Supervisory Review
 - c. Market Discipline
 - d. All of the above
9. As per BASEL-II guidelines, the banks have to maintain a minimum capital adequacy requirement of _____ of its RWA.
 - a. 7%
 - b. 9%
 - c. 8%
 - d. 10%

10. A merchant bank is a financial institution conducting money market activities and:
 - a. Lending
 - b. Underwriting and financial advice
 - c. Investment service
 - d. All of the above
11. _____ allocates saving efficiently in an economy to ultimate users either for investment in real assets or for consumption.
 - a. Economic system
 - b. Banking system
 - c. Financial system
 - d. Market system
12. Financial institutions are also known as _____.
 - a. Financial organization
 - b. Financial intermediaries
 - c. Financial system
 - d. Any of the above
13. Money at call and short notice is also known as _____.
 - a. Capital market
 - b. Interbank call money market
 - c. Financial system.
 - d. Financial call money
14. The primary relationship between banker and customer begins from the time
 - a. When customer visit bank
 - b. When customer have query
 - c. When customer open account
 - d. None of the above
15. A company who accepts demand deposits are called
 - a. Joint stock company
 - b. Manufacturing company
 - c. Banking company
 - d. IT company
16. "Repo Rate" refers to the rate at which
 - a. RBI borrows short term money from the markets
 - b. Banks keeps the money with RBI
 - c. Bills are discounted by RBI
 - d. Forex purchased by RBI
17. CAMELS Rating is -
 - a. A credit rating by credit rating agencies
 - b. A credit information report by credit information bureaus
 - c. A supervisory rating for bank or financial institution by financial market regulator
 - d. None of the above
18. What 'L' denotes in CAMELS rating
 - a. Liquidity
 - b. Listing
 - c. Liability
 - d. Leverage
19. How many schedules are there in bank financial statement
 - a. 6
 - b. 5
 - c. 3
 - d. 4
20. Which one of the following is the most important relationship between banker and customer
 - a. Debtors & Creditor
 - b. Trustee & beneficiary
 - c. Bailor & bailee
 - d. Principal & agency

(Descriptive)

Time : 2 Hr. 30 Mins.

Marks : 50

[Answer question no.1 & any four (4) from the rest]

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| 1. Elucidate the relationship between bankers and customers. | 10 |
| 2. Explain the CAMEL rating system in measuring banks performance. | 10 |
| 3. a) Explain the process of Credit Appraisal.
b) Explain the 5 C's of credit. | 5+5=10 |
| 4. Explain the features of Venture Capital and different types of venture capital. | 10 |
| 5. a) Write the salient features of Financial Institutions.
b) Elaborate the important Primary functions of bank. | 4+6=10 |
| 6. a) Provide the format of bank balance sheet.
b) Make any three schedules from the balance sheet. | 4+6=10 |
| 7. Elaborate Group banking and explain its advantages and disadvantages. | 2+8=10 |
| 8. What is the role of BASEL II principles, elaborate the pillars of BASEL II. | 10 |

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