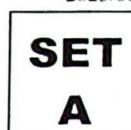


**BACHELOR OF BUSINESS ADMINISTRATION
SIXTH SEMESTER
FINANCIAL INSTITUTIONS AND MARKETS
BBA – 603**



[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. To constitute a person as a customer _____.
 - a. There must be frequency of transactions
 - b. There must be a dealing of a banking nature
 - c. There must be some sort of an account
 - d. There must be a single transactions of any nature
2. Demand deposits include:
 - a. Saving account deposits and fixed deposits
 - b. Saving account deposits and current account deposits
 - c. Current account deposits and fixed deposits
 - d. All of the above
3. Call money is a loan given for a period of:
 - a. 15 days
 - b. 30 days
 - c. 1 day
 - d. 1 year
4. Which of the following is/are the features of loan from money lenders?
 - a. It has high rate of interest
 - b. There is no proper accounting
 - c. It has no transparency
 - d. All of above
5. Which of the following is a fee based service?
 - a. Hire purchase
 - b. Leasing
 - c. Capital issue management
 - d. Underwriting
6. Giving permission to withdraw money by an amount more than deposited to is known as:
 - a. Advance
 - b. Overdraft
 - c. Loan
 - d. None of these
7. In executing the standing instructions, there exists a relationship of _____.
 - a. Debtor and creditor
 - b. Trustee and Beneficiary
 - c. Bailee and Bailor
 - d. Agent and Principal
8. Credit rating indicates _____ of a company.
 - a. Financial status
 - b. Overall efficiency
 - c. Management efficiency
 - d. All the above

9. _____ is a guarantee for marketability of shares.
- Listing
 - Underwriting
 - Registration
 - Issue by prospectus
10. The market for extremely short period loan is called _____.
- call loan market
 - short notice market
 - treasury bill market
 - commercial bill market
11. Payment of cheque can be stopped by _____.
- Beneficiary
 - Nominee
 - Drawer of cheque
 - All of above
12. Which type of deposits earns higher interest rate?
- Current account
 - Savings Account
 - Fixed Deposits
 - None of above
13. Credit rating is only a/an _____.
- Opinion
 - Recommendation
 - Suggestion
 - Advice
14. In order to encourage investment in the economy, the RBI may _____.
- Reduce CRR
 - Increase CRR
 - Sell Govt. securities in the open market
 - Increase bank rate
15. Major players of Indian money market is:
- Central bank
 - Co-operative banks
 - Commercial banks
 - Indigenous banks
16. The best suited deposit for a trading community is _____.
- Savings deposit
 - Fixed deposit
 - Current deposit
 - Recurring deposit
17. A Non-Banking Financial Institution:
- Can accept demand deposit
 - Can issue cheques to customers
 - Cannot accept fixed deposit
 - Cannot accept demand deposit and cannot issue cheques
18. Which of the following is /are not regulatory institutions?
- RBI
 - SEBI
 - IRDA
 - IFCI
19. Which was the first commercial bank in India?
- Imperial Bank of India
 - Bank of Calcutta
 - Oudh Commercial Bank
 - Oriental Bank of Commerce
20. Commercial banks have the highest share in the disbursement of credit to _____.
- Moneylenders
 - PSUs
 - Agriculture
 - Microfinance

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A

(Descriptive)

Time : 2 Hr. 30 Mins.

Marks : 50

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

1. Describe the relationship between a banker and a customer. 10
2. Discuss the parameters of CAMELS rating system that are used to evaluate bank's overall condition. 10
3. Discuss the various functions of commercial banks. 10
4. Describe the various types of banks. 10
5. a) What are the different types of non-banking financial institutions (NBFCs)? 8+2=10
b) How can bank's performance be measured?
6. a) Describe the basic functions of merchant banks. 8+2=10
b) What are the differences between commercial banks and merchant banks?
7. a) Describe the banking principles that influence the function of lending out loans and advances. 5+5=10
b) Discuss the impact of changing interest rates on the economy.
8. a) Describe the importance of credit rating. 5+5=10
b) Describe the role of CRISIL.

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