REV-00
MEC/37/42

2016/12

MA ECONOMICS
Third Semester
Banking and Financial Institutions
(MEC- 304)

Duration: 3Hrs. **Full Marks: 70**

Part-A (Objective) =20
Part-B (Descriptive) =50

(PART-B: Descriptive)

Duration: 2 hrs. 40 mins. **Marks: 50**

Answer any *four* from *Question no.* 2 to 8
***Question no.* 1 is compulsory.**

1. Define NBFCs. How the NBFCs have grown overtime? Explain the system of the regulation of NBFCs in India. 2+4+4=10
2. What is commercial bank? Explain the main functions of commercial bank. 2+8=10
3. What is private sector bank? Define features of new private sector bank. 2+8=10
4. Explain functional classification of mutual funds. What are the benefits of mutual funds? 5+5=10
5. Explain IRDA and importance of insurance in economic growth. 10
6. Define financial market. Explain the role of finance market in economic development. 3+7=10
7. Write a note on (a) BIS and (b) IDA. 5+5=10
8. When and how the Euro dollar currency was formed? Explain its advantages and disadvantages. 4+6 =10

****

UNIVERSITY OF SCIENCE & TECHNOLOGY MEGHALAYA
Unveiling Excellence

University of Science and Technology, Meghalaya

Date Stamp:__________

SESSION 2016-17

COURSE______________PAPER CODE:____________

NAME OF THE PAPER:________________________

SEMESTER__________________________________

Instructions to Candidates

1. This answer booklet has 4 pages. Please check before writing whether it is complete or in good condition.
2. Do not write your name anywhere in the answer booklet.
3. Write legibly on both sides of the paper
4. You may use some space for any rough notes or calculation on the answer booklet if you need. These rough notes, calculations must be scored out before submitting the answer booklet.
5. Do not bring any book or loose paper in the examination hall.
6. Do not tear any page from the answer booklet.
7. Do not write anything on the question paper or blotting paper or any pieces of paper while you are in the examination hall.
8. Any act of indiscipline or misbehavior in the examination hall will result in your expulsion.
9. No examinee is allowed to leave the examination hall until 30 minutes lapse after the commencement of the examination.
10. Additional answer sheet will be supplied after the main answer booklet is completed.

For Objective Type Questions

Page No.	Marks
Total	

For Descriptive Type Questions

Question No.	Marks
Total	
Grand Total	

Session: 2016-17

Course________________

Roll No.________________

Enrollment No.____________

Semester______________

Name of the Paper__________

____

____

Paper Code______________

Scrutinizer's Signature

Examiner's Signature

Invigilator's Signature

2016/12

MA ECONOMICS
Third Semester
Banking and Financial Institutions
(MEC- 304)

Duration: 20 minutes **Marks – 20**

(PART A - Objective Type)

I. Choose the correct answer: **1×17=17**

1.Primary market deals with

a.Newly issued securities b.Already existing securities

c. Both (a) and(c) d.Its deals only with rural financial sector

2.The holder of a financial instrument get a periodical payment in the form of interest and dividend is term as

a.Financial securities b.Financial asset

c.Bank loan d.None

3.Which of the following is not a financial indicator

a.Finance Ratio b.New Issue ratio

c.Cheque book d.Intermediation Ratio

4.Higher the transaction cost and information cost

a. Lower will be the financial development

b. Higher will be the financial development

c. No impact on financial development

d. It is difficult to calculate the impact on financial development

5.When demand for fund increase without any change in supply of fund

a.The rate of interest falls b.The rate of interest rises

c.Remain unchanged d.none

6.Demand for fund depends on

a.Availability of internal fund
b.Investment in housing
c.Demand for consumer durable
d.All the above

7.According to which theory investment is not determined by saving but it is saving which determine investment.

a.Prior saving theory
b.Theory of forced saving
c.Financial regulation theory
d.Financial liberalization theory

8.Which of the following lead to Euro

a.European monetary system
b.Exchange rate mechanism
c.Maastricht treaty
d.European currency

9.IDA loans are made only to the

a.Industrialist
b.Government
c.Common individual
d.All the above

10.IFC was established in

a.July 1956 b.July 1966 c.July 1965 d.July 1955

11. Following which one is the first presidency Bank in India.

a.Bank of madras
b. bank of Bengal
c. Bank of Delhi
d. imperial bank

12. Schedule commercial banks are those included

a. 5th schedule of RBI Act 1943
b. 7th schedule of RBI Act 1947
c. 2nd schedule of RBI Act 1934
d. 10th schedule of RBI Act 1956

13. Following which one is private sector bank

a. Panjub national bank
b.Union bank of India
c. Corporation bank
d. IndusInd bank

14. Off-shore banking refers to-

a. Domestic banking
b.banking that covers the govt. activity
c. Banking operations that covers only non residents

d.banking that covers only investment.

15. The central board of RBI is appointed/nominated by central government for a period of

a.Five years b. three years c. Four years d. seven years.

16. The concept of insurance emerged-

a. In England b. France c. America d. Babylonia

17. The concept of life insurance started in India-

a. 1947 b. 1818 c. 1951 d.1982

II. True or false. **1 X 3 = 3**

1. NBFCs issue Cheque. **(T)/(F)**
2. SEBI regulates the NBFCs **(T)/(F)**
3. Mutual funds is a banking company **(T)/(F)**

****