

- Q.25 What are the objectives of establishing a mutual fund?
 Q.26 Explain any 2 types of bank.
 Q.27 Write a short note on HSIIDC.
 Q.28 Explain the functions performed by HARCO.
 Q.29 Explain the objectives of HFC?
 Q.30 Write 4 objectives of a bank.
 Q.31 Define the term acquisition.
 Q.32 When does the need for acquisition arises in an industry?
 Q.33 Provide in brief about the functioning of a lead bank.
 Q.34 What is the primary objective of LIC?
 Q.35 Explain in short about mutual fund in India?

SECTION-D

- Note:** Long answer type questions. Attempt any two questions out of three questions. (2x10=20)
 Q.36 Explain the importance of merger and acquisition in current scenario of Indian economy.
 Q.37 Explain the meaning and structure of bank in detail.
 Q.38 Explain the meaning of non banking financial institutions alongwith it's features.

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3rd Sem / FAA
Subject:- Banking and Financial Institutions

Time : 3Hrs. M.M. : 100

SECTION-A

Note: Multiple choice questions. All questions are compulsory (10x1=10)

- Q.1 What is the primary function of a bank
 a) Selling goods
 b) Manufacturing products
 c) Providing loans and accepting deposits
 d) Offering legal advice
 Q.2 Which institution regulates the monetary policy in India ?
 a) World Bank
 b) Reserve Bank of India (RBI)
 c) International Monetary Fund (IMF)
 d) Securities and Exchange Board of India (SEBI)
 Q.3 HARCO stands for:
 a) Housing and Rural Cooperative Bank
 b) Haryana State Cooperative Apex Bank
 c) High-Risk Credit Organization
 d) Housing and Redevelopment Corporation
 Q.4 What is the term used for the combination of two or more companies into a single company ?
 a) Collaboration b) Merger
 c) Expansion d) Diversification

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- Q.5 What does LIC stand for:
 a) Life Insurance Corporation of India
 b) Land Investment Corporation
 c) Legal Insurance Corporation
 d) Life Investment Company
- Q.6 What are Non-Banking Financial Institutions (NBFIs)?
 a) Banks that don't accept deposits
 b) Financial institutions other than banks that provide banking services
 c) Banks that accept only foreign currency deposits
 d) Banks that operate without a license
- Q.7 Which of the following is a characteristic of Mutual Funds ?
 a) High risk b) Diversification
 c) Limited liquidity d) Fixed returns
- Q.8 Which of the following is a type of commercial bank?
 a) Co-operative bank b) Central bank
 c) Microfinance bank d) Investment bank
- Q.9 What is the primary function of the Reserve Bank of India (RBI) ?
 a) Issuing currency notes
 b) Constructing roads
 c) Regulating the stock market
 d) Providing healthcare services
- Q.10 What is the main reason for mergers and acquisition?
 a) To reduce competition
 b) To decrease profits
 c) To increase unemployment
 d) To decrease market share

SECTION-B

- Note:** Objective type questions. All questions are compulsory. (10x1=10)
- Q.11 Mutual funds pool money from investors to invest in a diversified portfolio of securities. (True/False)
- Q.12 HARCO primarily serves the state of Maharashtra. (True/False)
- Q.13 Banks primarily provide loans and accept deposits. (True/False)
- Q.14 HFC stands for High-Frequency Counter. (True/False)
- Q.15 Non-Banking Financial Institutions (NBFIs) accept deposits like traditional banks. (True / False)
- Q.16 RBI stands for Rural Bank of India. (True / False)
- Q.17 LIC provides health insurance. (True / False)
- Q.18 Merger refers to the process of combining two or more companies into one. (True / False)
- Q.19 RBI is responsible for issuing currency notes in India. (True / False)
- Q.20 The primary function of HSIIDC is to promote healthcare services. (True / False)

SECTION-C

- Note:** Short answer type questions. Attempt any twelve questions out of fifteen questions. (12x5=60)
- Q.21 Explain the primary functions performed by a bank.
- Q.22 Explain 4 features of a Central Bank.
- Q.23 Explain why RBI is called lender of last resort?
- Q.24 Explain the structure of a non banking financial institution.