

### SECTION-D

**Note:** Long answer type questions. Attempt any two questions out of three questions. (2x8=16)

- Q.23 Discuss the various types of financial institutions and their functions in an economy.
- Q.24 Explain the roles and responsibilities of any two regulatory bodies of financial institutions in India (SEBI, IRDA, PFRDA).
- Q.25 Describe the different types of financial statements and how they help in understanding the financial position and performance of a bank.

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### 3rd Semester/ Finance, Accounts & Auditing Subject : Banking & Financial Institutions

Time : 3 Hrs.

M.M. : 60

### SECTION-A

**Note:** Multiple choice questions. All questions are compulsory (6x1=6)

- Q.1 Which of the following is NOT a primary function of a commercial bank?
- a) Accepting deposits    b) Granting loans  
c) Issuing passports    d) Facilitating payments
- Q.2 The central bank of India is:
- a) State Bank of India  
b) Reserve Bank of India  
c) Punjab National Bank  
d) ICICI Bank
- Q.3 Which financial statement shows a company's assets, liabilities and equity at a specific point in time?
- a) Income Statement  
b) Cash Flow Statement  
c) Balance Sheet  
d) Statement of Retained Earnings

- Q.4 What does SEBI stands for?  
 a) Securities Exchange Board of India  
 b) State Education Board of India  
 c) Small Enterprise Bureau of India  
 d) Social Equity Bank of India
- Q.5 The use of internet and mobile apps for banking transactions is an example of:  
 a) Traditional banking b) Digital Banking  
 c) Investment banking d) Retail banking
- Q.6 A document representing ownership in a company is a:  
 a) Bond b) Loan  
 c) Share d) Mortgage

### SECTION-B

- Note:** Objective/ Completion type questions. All questions are compulsory. (6x1=6)
- Q.7 A financial institution's main role is to facilitate the flow of money in an economy. (True/False)
- Q.8 The PFRDA regulates the insurance sector in India. (True/False)
- Q.9 Ratio analysis helps in understanding the financial health of a company. (True/False)
- Q.10 Globalisation has no impact on the banking sector. (True/False)

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- Q.11 Accepting deposits is a secondary function of a bank. (True/False)
- Q.12 Credit rating agencies assess the creditworthiness of borrowers. (True/False)

### SECTION-C

- Note:** Short answer type questions. Attempt any eight questions out of ten questions. (8x4=32)
- Q.13 Differentiate between commercial banks and cooperative banks.
- Q.14 Explain any two primary functions of a bank.
- Q.15 What is the role of the Reserve Bank of India (RBI) as a regulator of banks?
- Q.16 Briefly explain the purpose of an Income Statement.
- Q.17 Name and explain any two types of risks faced by banks.
- Q.18 How does technology impact the banking sector? Give two examples.
- Q.19 What is the main objective of SEBI?
- Q.20 Briefly discuss the concept of “Emerging Trends in Banking.”
- Q.21 What is risk management important for financial institutions?
- Q.22 What is the role of rating agencies?

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