



FACULTY OF BUSINESS

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **FIN2123 FUNDAMENTALS OF BANKING**
Semester & Year : JANURY – APRIL 2020
Lecturer/Examiner : MR.RAVINDRAN RAMAN
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
PART A (25 marks) : Answer all TWO (2) short answer questions. Answers are to be written in the Answer Booklet provided.
PART B (75 marks) : Answers only THREE (3) out of FOUR (4) structured answer questions. Answer are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorised materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students’ Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 3 (Including the cover page)

PART A : SHORT ANSWER QUESTIONS (25 MARKS)

INSTRUCTION (S) : There are **TWO (2)** short answer questions in this section. Answer **ALL** questions. Write your answers in the Answer Booklet(s) provided.

Question 1

Maybank Bhd is a domestic bank in Malaysia's banking system. Explain **FOUR (4)** roles played by domestic bank.

(Total 10 marks)

Question 2

Malaysian commercial bank is considered as a full fledged bank that provides various product and services. Explain **THREE (3)** of the product and services offered by commercial banks.

(Total 15 marks)

END OF PART A

PART B : STRUCTURED QUESTIONS (75 MARKS)

INSTRUCTION (S) : There are **FOUR (4)** questions in this section, answer only **THREE (3)** questions. Write your answers in the Answer Booklet(s) provided.

Question 1

Bank Islam Malaysia Bhd and Public Bank Bhd operates differently in the Malaysian banking system, which is called the conventional and Islamic banking system. Discuss **FIVE (5)** differences between the both of these systems.

(25 marks)

(Total 25 marks)

Question 2

(a) Explain the **FIVE (5)** functions of a central bank in a country.

(10 marks)

(b) Monetary stability is extremely crucial for any country therefore the central bank of the country must make sure this monetary stability must be monitored. Discuss **FIVE (5)** importance in monitoring the monetary stability.

(15 marks)

(Total 25 marks)

Question 3

The Islamic Financial Services Act 2013 (IFSA 2013) which came into operation on 30 June 2013 in the Malaysian financial and banking system. Discuss the positive changes in the banking operation and business activities.

(25 marks)

(Total 25 marks)

Question 4

Central banks in most country uses the CAMEL rating framework to evaluate their banks' in five critical areas. Discuss what CAMEL is and each of its component.

(25 marks)

(Total 25 marks)

END OF QUESTION PAPER