



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 : MAY – AUGUST 2021
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

Explain **FOUR (4)** roles played by a domestic and foreign bank in Malaysia.

(Total 10 marks)

Question 2

Discuss the theory of financial intermediation and its implication in the perspective of banking and financial system of an economy in a country.

(Total 15 marks)

END OF PART A

PART B : STRUCTURED ANSWER 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

In many countries the current modern banking system conducts two parallel systems which are called the conventional and Islamic banking system. Distinguish **FIVE (5)** differences between both of these systems.

(25 marks)

(Total 25 marks)

Question 2

(a) Bank Negara Malaysia which is under the purview of Ministry of Finance conducts the regulations to regulate the banking system in our country. Describe the **FIVE (5)** functions of Bank Negara Malaysia in regulating the banking system.

(10 marks)

(b) Explain **FIVE (5)** principal which emphasized by the European Central Bank in the context of international cooperation with other central banks around the world.

(15 marks)

(Total 25 marks)

Question 3

Discuss the new changes that took place in the Islamic banking operation and business activities based on Shariah compliance of the Islamic Financial Services Act 2013 (IFSA 2013).

(25 marks)

(Total 25 marks)

Question 4

Outline the **FIVE (5)** major services offered by our Malaysian investment banks in their business investment activities.

(25 marks)

(Total 25 marks)

END OF QUESTION PAPER