


Name: Enrolment No:		 UNIVERSITY WITH A PURPOSE	
<b>UNIVERSITY OF PETROLEUM AND ENERGY STUDIES</b> <b>Online End Semester Examination, May 2021</b>			
Course: Financial Institutions & Markets Program: B Com Hons Course Code: FINC 7020		Semester: IV Time 03 hrs. Max. Marks: 100	
<b>SECTION A</b>			
<b>1. Each Question will carry 5 Marks</b> <b>2. Instruction: Complete the statement / Select the correct answer(s)</b>			
S. No.	Question		CO
Q 1	Which of the following is not a regulatory institution in Indian financial system? a) RBI b) CIBIL c) SEBI d) IRDA		CO1
Q2	Which of the following is the apex institution which handles refinance for agriculture and rural development in India? a) EXIM Bank b) SIDBI c) NABARD d) IDBI		CO2
Q3	Which of the following is the regulator of Money market? a) Reserve Bank of India b) SEBI c) IRDA d) AMFI		CO2
Q4	The assets of the mutual fund are held by a) AMC c) Trustees b) Custodian d) Registrar		CO2
Q5	The most important advantage of a money market mutual fund is a) Quick capital appreciation b) High regular income c) Safety of principal d) No loads		CO2
Q6	A Venture Capital firm a) Pools resources to help the entrepreneur to start a new idea or concept b) Has no role in the management of firm c) Increase the risk in the business d) None of the above		CO2
<b>SECTION B</b>			
<b>1. Each question will carry 10 marks</b> <b>2. Instruction: Write short / brief notes</b>			
	Attempt all questions		
Q 7	“A strong banking system is an indicator for the economic development of any nation. Banks are important segment in Indian Financial System”. Explain the role of an efficient and vibrant banking system as a back bone of the financial sector		CO1
Q 8	“NABARD is the apex institution concerned with the policy, planning and operations in the field of agriculture and other rural economic activities”. Discuss the role of NABARD and other financial institutions involved in development of rural areas.		CO3
Q 9	“Venture capital is an attractive financing option for new companies with limited resources and past historical performance information to raise capital through stock markets and unable to secure a bank loan through financial institutions”. Discuss this statement and the stages of financing Venture Capital,  Or		CO3

On January 1st, a mutual fund has the following assets and prices at 4:00 p.m.:

Stock	Shares owned	Price
1	1,000	Rs 1.97
2	5,000	Rs 48.26
3	1,000	Rs 26.44
4	10,000	Rs 67.49
5	3,000	Rs 2.59

Calculate the net asset value (NAV) for the fund. Assume that 8,000 shares are outstanding for the fund.

Q 10 “Mutual funds are extremely important in the financial system of an economy”. Discuss this statement highlighting the merits and demerits of mutual fund as an investment option

**CO2**

Q 11 “The level of NPAs is an indicator of the efficiency of banker’s credit risk management and efficiency of resource allocation to productive sectors”. Discuss this statement. Discuss the factors which causes NPA and implications of NPA.

Or

Consider the following data

Portfolio	Avg.Return	SD	Beta
A	18	3	1.2
B	16	4	0.8
C	22	4	1.4
Nifty	15	2.8	--
T-Bills	7	---	--

Rank all the Portfolios under the following evaluation techniques a) Sharpe b) Treynor c) Jensen

**CO4**

**Section C**

1. Each Question carries 20 Marks.
2. Instruction: Write long answer.
3. Attempt any one

Q12 Explain the components/structure of Indian financial system.

Or

“The Reserve Bank of India as the Central Bank of the country plays different roles like the regulator, supervisor and facilitator of the Indian Banking System”. Discuss the steps taken by RBI as a regulator to control volume of money in economy.

**CO3**