



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, December 2021

Course: Money & Financial Markets
Programme: BA Hons. Economics
Time: 03 hrs.

Course Code: FINC3033
Semester: 5th
Max. Marks: 100

Instructions: All questions are compulsory.

S. No.	Section A Each question is of 2 marks. (2 x 10)	Marks	CO
Q1.	What are the rights of a banker?	2	1
Ans.			
Q2.	Name and describe the different types of customers?	2	3
Ans.			
Q3.	The banks assess the credit worthiness of a customer through rating given by credit rating agencies. Name any one such agency.	2	2
Ans.			
Q4.	What are the ways in which banker customer relationship can be terminated?	2	1
Ans.			
Q5.	What are the principles of good lending?	2	1
Ans.			
Q6.	Define derivatives?	2	2
Ans.			
Q7.	What is the role of capital market.	2	2
Ans.			
Q8.	What is meant by barter system.	2	3
Ans.			
Q9.	How monetary control can be achieved.	2	1
Ans.			
Q10	What is statutory liquidity ratio.	2	2
Ans.			
	Section B Each question is of 5 marks. (5 x 4)		
Q1.	X limited wants that a particular person should collect all his receivables and charge a certain percentage of it as his service charges. Name and explain the service indicated in this statement.	5	1
Ans.			
Q2.	A finance company allows a customer to make payment for car purchased in a certain number of instalments and get it transferred in his/her name after paying all instalments. Explain this facility of finance company.	5	2
Ans.			
Q3.	When the borrower is unable to pay his instalments of a loan, the bank stops charging interest on it and considers it as a dead asset. Name and explain this concept.	5	1
Ans.			

Q4.	Explain the concept of primary and secondary market.	5	3
Ans.			
	Section C Each question is of 10 marks. (10 x 3)		
Q1.	Write short notes on (five marks each) a. Cash reserve ratio. b. Functions of money.	10	2
Ans.			
Q2.	What is meant by portfolio management. Explain the different types of portfolios.	10	3
Ans.			
Q3.	Many investors jointly contribute money and invest in a particular investment scheme and collectively distribute the surplus generated on the basis of amount invested. What are the roles of different parties involved in such scheme.	10	1
Ans.			
	Section D Each question is of 15 marks. (15 x 2)		
Q1.	The banks accept different types of deposits from different customers depending upon their requirements. In the light of this statement, explain the different types of deposits which a customer can have with a bank or a financial institution.	15	2
Ans.			
Q2.	The banks provide financial assistance to different customers on different terms and conditions. The rate of interest depends upon time period of loan, amount of loan, security offered etc. What are the various ways in which financial assistance can be granted by bank. Explain?	15	3
Ans.			

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