



Name:

Enrolment No:

**UPES**

**End Semester Examination, December 2024**

**Course: Financial Institutions and Markets**

**Program: MBA (Finance)**

**Course Code: FINC8037**

**Semester: III**

**Time : 03 hrs.**

**Max. Marks: 100**

**Instructions:**

**SECTION A**  
**10Qx2M=20Marks**

S. No.		Marks	CO
<b>Q 1</b>	Which of the following markets is primarily used for trading short-term financial instruments?		
<b>a)</b>	A) Capital Market B) Debt Market C) Money Market D) Derivatives Market	<b>2</b>	<b>CO1</b>
<b>b)</b>	A stock exchange is a type of:  A) Primary Market B) Secondary Market C) Tertiary Market D) Debt Market	<b>2</b>	<b>CO1</b>
<b>c)</b>	Which clause in Indian corporate law pertains to corporate governance?  A) Clause 47 B) Clause 48 C) Clause 49 D) Clause 50	<b>2</b>	<b>CO1</b>
<b>d)</b>	The process of issuing shares to the public for the first time is known as:  A) Stock Splitting B) IPO (Initial Public Offering) C) Buyback D) Securitization	<b>2</b>	<b>CO1</b>
<b>e)</b>	The Indian Debt Market consists primarily of:  A) Equity shares B) Bonds and debentures C) Derivatives D) Mutual funds	<b>2</b>	<b>CO1</b>

<b>f)</b>	Which of the following institutions is NOT directly involved in the regulation of financial markets in India?  A) SEBI B) NABARD C) IRDA D) NITI Aayog	<b>2</b>	<b>CO1</b>
<b>g)</b>	What is a major challenge facing commercial banks today?  A) Low demand for loans B) Management of non-performing assets (NPAs) C) Excessive liquidity D) High profits	<b>2</b>	<b>CO1</b>
<b>h)</b>	Which institution is responsible for monetary policy in India?  A) NABARD B) SEBI C) RBI D) IRDA	<b>2</b>	<b>CO1</b>
<b>i)</b>	What is the primary role of a commercial bank?  A) To provide insurance B) To facilitate savings and provide credit C) To manage investment funds D) To trade stocks	<b>2</b>	<b>CO1</b>
<b>j)</b>	In India, "book building" is associated with:  A) Stock buybacks B) Price discovery for new issues C) Dividend distribution D) Corporate mergers	<b>2</b>	<b>CO1</b>

**SECTION B**  
**4Qx5M= 20 Marks**

<b>Q 2.</b>	Summarize the role of SEBI in regulating capital market intermediaries.	<b>5</b>	<b>CO2</b>
<b>Q 3.</b>	Explain the term "secondary market" and its importance in financial markets.	<b>5</b>	<b>CO2</b>
<b>Q 4.</b>	How does asset-liability management help in managing a bank's risks?	<b>5</b>	<b>CO2</b>
<b>Q 5.</b>	What is the significance of the New Issue Market in the Indian financial system?	<b>5</b>	<b>CO2</b>

**SECTION-C**  
**3Qx10M=30 Marks**

<b>Q6.</b>	Explain the role of Non-Banking Financial Companies (NBFCs) in India's financial system. Discuss their importance and how they differ from banks.	<b>10</b>	<b>CO3</b>
<b>Q7.</b>	Discuss the role of the primary market in the Indian financial system. How does it contribute to capital formation and economic growth?	<b>10</b>	<b>CO3</b>

<b>Q8.</b>	Compare the impact of private placements and book building on capital raising. In what scenarios would a company prefer one method over the other?	<b>10</b>	<b>CO3</b>
<b>SECTION-D</b> <b>2Qx15M= 30 Marks</b>			
<b>Q9.</b>	Analyze the interrelationship between the money market and the capital market in India. How do these two segments complement and influence each other?  <b>Or</b>  Analyze the impact of liquidity management practices on the stability of commercial banks. How does poor liquidity management affect financial health?	<b>15</b>	<b>CO4</b>
<b>Q10.</b>	Examine the securitization of auto loans and its implications for lending institutions. How does securitization affect a lender's balance sheet? Assess the impact of securitization on credit availability in India. Assess the primary risks associated with increased securitization?	<b>15</b>	<b>CO4</b>