

2018

M.Com. 1st Semester Examination

FINANCIAL INSTITUTIONS AND MARKETS

PAPER—COM-104

Full Marks : 50

Time : 2 Hours

The figures in the right-hand margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

Illustrate the answers wherever necessary.

Unit-I

[Marks : 20]

1. Answer any *two* questions : 2×2
- (a) Mention two important functions of formal financial system.
- (b) State the objectives of development financial institutions in India.

(Turn Over)

- (c) What do you mean by 'Priority sector lending'?
- (d) Write a short note on Leveraged Mutual Fund.

2. Answer any *two* questions : 2×4

- (a) What is reinsurance? State the different types of reinsurance.
- (b) Discuss the different recommendations of Narasimhan Committee (1998) on banking sector reforms.
- (c) Briefly discuss the different problems faced by microfinance institutions in India.
- (d) Mention the different types of risk associated with E-banking.

3. Answer any *one* question : 1×8

- (a) State the objectives of Co-operative banks in India. Briefly discuss the challenges faced by the Co-operative banks.

3+5

- (b) Briefly discuss the important roles played by IRDA for economic development of the country.

Unit-II

[Marks : 20]

4. Answer any *two* questions : 2×2
- (a) Write the name of any four capital market instruments.
 - (b) What preference do preference shareholders get ?
 - (c) Write the meaning of depository and depository participant.
 - (d) Write the full form of ASBA. State its meaning.
5. Answer any *two* questions : 2×4
- (a) Sensex is free-float weighted index. Explain.
 - (b) What is dematerialization ? State its advantages. 1+3
 - (c) Briefly discuss the guidelines for issue of Commercial Paper.
 - (d) What do you mean by Option Derivative ? Briefly discuss the difference between Call option and Put option. 2+2

6. Answer any *one* question : 1×8
- (a) (i) Write a short note on book building issue related to Initial Public Offering (IPO).
- (ii) What do you mean by Qualified Institutional Buyers ?
5+3
- (b) (i) What do you understand by American Depository Receipts ? How do they differ from Global Depository Receipts ?
- (ii) State the advantages of issuing ADRs.
(2+2)+4

Internal Assessment — 10
