

2015

M. Com.

1<sup>st</sup> Semester Examination

FINANCIAL INSTITUTIONS AND MARKET

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.***UNIT – I****1. Answer any two questions of the following: 5 X 2**

- (a) Mention the important components of a financial system.
- (b) 'Treasury bill is an important short term sources of finance for the Government and also a popular instrument with money market investors' – Explain the statement.
- (c) Discuss the determinants of interest rate structure.
- (d) Briefly discuss the various risks associated with the E-Banking system.

**2. Answer any one questions of the following: 10 X 1**

- a) Discuss the role of Developmental Financial Institutions in Indian Economic. Describe the roll of IRDA in connection with the insurance sector in India.
- b) Why are mutual funds popular in the Indian investment market?  
Write short notes on NAV and Sectoral Fund.  $5 + 2\frac{1}{2} + 2\frac{1}{2}$

*(Turn over)***UNIT – II****3. Answer any two questions of the following: 5 X 2**

- a) What do you mean by GDRs and FCCBs?
- b) Discuss the roll of SEBI in regulating the Indian Capital Market?
- c) Explain the concept of 'Trading under rolling settlement' and 'Options trading'.
- d) What do you mean by Depository Participant?

**4. Answer any one questions of the following: 10 X 1**

- a) Discuss the role played by the following primary market intermediaries – Lead Manager, Brokers to the new issue and Underwriters. 4+3+3
- b) i) What is Screen – based trading system? What are its advantages? 1+4
- ii) What are the draw backs of CDSL? What measures have been initiated to overcome those draw backs. 2+3

**(Internal Assessment :10 marks)**