

**THIRD SEMESTER M. Com. DEGREE EXAMINATION, NOVEMBER 2020  
COMMERCE**

**FMCM3EF02 - FINANCIAL MARKETS AND INSTITUTIONS**

**Time: Three Hours**

**Maximum Weightage: 30**

**Part A: Answer any *four* questions. Each carries *two* weightage.**

1. Define 'Financial Engineering' and 'Financial re-engineering'.
2. What do you mean by Green Shoe option in capital market?
3. Explain how Crypto Currency works in financial system.
4. Differentiate between 'open ended' and 'close ended' mutual fund schemes.
5. Mention the key functions of IFCI.
6. What is the institutional role of AMFI?
7. Write short notes on: a) ADR; b) GDR.

**(4 × 2 = 8 weightage)**

**Part B: Answer any *four* questions. Each carries *three* weightage.**

8. Trace out the problems faced by Indian money market.
9. Briefly explain the features of debt market instruments.
10. What are the key roles of 'Forward Market commission'?
11. Elucidate the mechanism of 'Book Building'.
12. Give the market situation in which issuer company can opt private placement and offer for Sale.
13. Distinguish between FDIs and FIIs.
14. Bring out the importance of foreign capital in Indian economy.

**(4 × 3 = 12 weightage)**

**Part C: Answer any *two* questions. Each carries *five* weightage.**

15. Define 'Financial market'. Critically evaluate the functions of financial market in India.
16. Describe the major commodity exchanges functioning in India.
17. Explain the important guidelines of SEBI in relation with capital market regulation.
18. Elucidate the regulatory framework for foreign capital flows.

**(2 × 5 = 10 weightage)**