

Financial markets in India

2008 April

Commerce Banking and Finance

MCom Part 2

University of Mumbai

shaalaa.com

(3 Hours)

[Total Marks : 100

(9th APR) 08

- N.B. : (1) Attempt any **two** questions from each **section**. Answer **four** questions in all.
(2) All questions carry **equal** marks.
(3) Answers to **both** sections to be written in **same** answer books and tied **together**.

Section I

1. "Absence of capital market acts as a deterrent factor to capital formation and economic growth." Examine the importance, developments and problems of capital market with reference to the above statement.
2. Explain the capital Adequacy Norms applicable to NBFC's in India.
3. Define custodial services. Explain the role, responsibilities and functions of institutions acting as professional custodians.
4. What is Credit Rating ? Explain the role and implication of rating used by CRISIL.

Section II

5. Bring out the statutory functions of Reserve Bank of India and explain the Credit Control mechanism in brief adopted by RBI.
6. "Treasury bills enjoy higher degree of liquidity". Explain the statement in light with the meaning, features and types of treasury bills.
7. What are the different types of Financial Derivatives ? Describe the causes for the meagre use of derivative instruments in India.
8. Explain the performance of various venture capital firms functioning in India. Make suggestions for the success of venture capital in India.