

[This question paper contains 2 printed pages.]

**7268**

Your Roll No. ....

**M.Com./Sem. III (NC)**

**G**

Paper : MJ301 : Financial Institutions and Markets

Time : 3 Hours

Maximum Marks : 100

*(Write your Roll No. on the top immediately  
on receipt of this question paper.)*

*Attempt all questions.*

*All questions carry equal marks.*

1. (a) Explain the concept of financial repression. Also provide a critical overview of financial sector reforms in India. What is your opinion of the pace and direction of reforms ? (20)

**OR**

- (b) What are the different ways in which stock market indicators or indices are calculated ? Also distinguish between a rights offering and private placement of securities by an issuer. (20)
2. (a) What is meant by the term structure of interest rates ? Which theory of term structure in your opinion offers the best explanation ? Justify your answer. (20)

**OR**

- (b) Explain the pure expectations theory. Illustrate your answer with a suitable example. Also comment on the relevance of this theory. (20)

P.T.O.

3. (a) Distinguish between fee based activities and off balance sheet activities of banks. Also provide a brief overview of the Basel Accord 1, 2 and 3 and its implications for the banking industry. (20)

**OR**

- (b) The Indian banking sector and the public sector banks in particular are facing the problem of NPAs on their balance sheets. Comment on the causes of the problem and the steps taken so far to improve the situation. (20)
4. (a) Distinguish between exchange traded funds and index funds. Comment on the role and impact of expenses on the performance of different mutual fund schemes. (20)

**OR**

- (b) How is pricing of premium done by insurers ? What are the issues associated with it ? Also, provide a critical overview of the functioning of IRDA in India since its inception. (20)
5. Write short notes on any **two** of the following :
- (a) Jan Dhan Yojana as a means of financial inclusion.
- (b) Atal Pension Yojana
- (c) Reasons and possible implications of merger of State Bank of India with group banks
- (d) Yield curve and its significance (10×2=20)