



PG – 523

IV Semester M.Com. Examination, June 2016

(CBCS Scheme)

AT/FB – 4.1 :COMMODITY MARKETS

(Common to AT and FB)

Time : 3 Hours

Max. Marks : 70

SECTION – A

1. Answer **any seven** questions out of ten. **Each** question carries **two** marks.

(7×2=14)

- a) Define hedging.
- b) Define Counterparty risk.
- c) Define 'Market efficiency'.
- d) Define Price discovery.
- e) Define Backwardation.
- f) Define Commodity sensex.
- g) Define 'Arbitrage'.
- h) Define 'spot exchange'.
- i) Define 'Forward Contract'.
- j) Define Mark To Market (MTM).

SECTION – B

Answer **any four** questions out of six. **Each** question carries **five** marks. (4×5=20)

2. What Quality measures are considered for nickel, aluminium, Mentho Oil and Cotton.
3. Explain the functioning of New Electronic Market for Agricultural Commodities in India.
4. Explain the role of Spice Board of India.
5. Explain the role of SEBI in regulating commodities exchanges.

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6. Explain the IT infrastructure created for a unified market for derivatives trading in commodities in India.
7. Explain the importance of grading and standardization of commodities for trading on NCDX or MCX.

SECTION – C

Answer **any three** questions out of five. **Each** question carries **twelve** marks.

**(3×12 = 36)**

8. Explain in detail the cause and effects of the failure of National Spot exchange.
9. Explain the Economic importance of Commodity Derivative Markets.
10. Explain the clearing and settlement procedures at NCDEX.
11. Discuss in detail issues of Quality assurance in respect of agricultural commodities trade on NEM.
12. Explain the role of warehouses in facilitating the process of delivery of commodities.