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PG-503

IV Semester M.Com. (CBCS) Examination, July - 2019

COMMERCE

**AT/FB - 4.1 : Commodity Markets
(Common to AT and FB)**

11618

Time : 3 Hours

Max. Marks : 70

SECTION - A

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

7x2=14

- (a) Define Counter Party Risk.
- (b) What is Arbitration ?
- (c) Define Cartels.
- (d) What are Customised Contracts ?
- (e) What is Electronic Spot exchange ?
- (f) What do you mean by term Speculation ?
- (g) What is meant by Margin Trading ?
- (h) Mention two regulations of SEBI by commodity derivative trading.
- (i) What is quantity freeze ?
- (j) Define Mark to Market (MTM).

SECTION - B

Answer any four questions out of six. Each question carries five marks.

4x5=20

2. Explain the functions of commodity exchanges in commodity option trading.
3. Explain the role of Spice Board in Quality Control.
4. What risks are faced in storage of commodities ?
5. Describe the features of Multi Commodity future exchange setup in India and explain the initiatives taken by it.
6. What do you understand by Hedging ? Explain long and short hedging. How can Hedging be optimised ?
7. Explain the functions of warehouse of India.

P.T.O.

**SECTION - C**

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

3x12=36

8. What are Margins ? Describe the different types of margin requirements for the purpose of risk management in commodity markets.
9. Explain the role played by Food Corporation of India.
10. What is Grading ? Explain the Grading Techniques used for Cardamom, Rice, Gold, Aluminium.
11. Explain the services offered by Rubber Board of India.
12. Explain the role of warehouses in facilitating the process of delivery of commodities.