

Q. P. Code: 19904**Time: 2:30 Hours****Marks: 75****Please check whether you have got the right question paper.****Instructions**

1. All questions are compulsory with internal options

Q1. a. True or False: (Any 8)**(08)**

- i. Central bank act as a guardian of money market.
- ii. Marketable assets are easily transferred from one person to another.
- iii. 10 – Q reports are issued at an interval of 6 months.
- iv. RBI was nationalised in 1949.
- v. NBFCs are not regulated by RBI act.
- vi. Money market has single interest rate.
- vii. DFHI was formed to provide liquidity to money market instruments.
- viii. Commercial papers are unsecured promissory notes.
- ix. T-bills are purchased for a price that is less than their par value.
- x. Money market is a wholesale market for short term debt instruments.

Q1. B. Match the following: (any 7)**(07)****Column A****Column B**

- | | |
|---------------------------|--|
| 1) Marketable assets | a) Transaction of securities |
| 2) Primary market | b) No claim in future earnings |
| 3) Shares | c) Regulates forex market |
| 4) FIMMDA | d) Future transactions |
| 5) Spot market | e) Bank deposits |
| 6) Non- marketable assets | f) Claims in future earnings |
| 7) Bonds | g) Regulates money and derivative market |
| 8) Forward market | h) New issue of shares |
| 9) FEDAI | i) Immediate market |
| 10) Secondary market | j) Mutual funds |
| | k) Regulates capital market |

Q2. a. What are the reasons for establishment of RBI?**(08)****Q2. b. What is the importance of primary dealers in money market?****(07)****OR****Q2. c. Which measures have changed the face of Indian money market?****(15)****Q3. a. How money market is beneficial for Indian Financial system.****(08)****Q3. b. What makes functioning of commercial banks smooth?****(07)****OR****Q3. c. Describe the ways with which RBI controls the money supply in market.****(08)**

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Q3. d. With what objective FIMMDA is working in Indian market. (07)

Q4. a. What are the pros and cons of commercial paper instrument? (08)

Q4. b. Explain characteristics of a developed money market. (07)

OR

Q4. c. Discuss the features and importance of money market functioning in India. (15)

Q5. a. Discuss some objectives of innovative money market instruments. (08)

Q5. b. Discuss advantages of money market mutual fund. (07)

OR

Q5. Write short notes: (**Any 3**) (15)

- i. Factors affecting money market
- ii. Credit rating agency
- iii. Money market mutual fund
- iv. SEBI
- v. STCI
