

Max Marks:75

Time: 2 ½ Hrs

NB: All Questions are compulsory carrying 15marks each**Q1. (a) Multiple Choice Questions (Answer any eight)****(08)**

1. Which of the following does not form the part of treasury bills issued by the government of India today?
 - (a) 14-day treasury bills
 - (b) 91-day treasury bills
 - (c) 182-day treasury bills
 - (d) 364-day treasury bills

2. Which of the following is not the feature of commercial bills?
 - (a) Short term
 - (b) Trade bills
 - (c) Issued by RBI
 - (d) High degree of liquidity

3. Which of the following money market instrument is issued by commercial@ banks ?
 - (a) CPs
 - (b) Commercial bills
 - (c) CDs
 - (d) Treasury bills

4. Which of the following measures absorb liquidity from the financial system?
 - (a) Repo
 - (b) Reverse repo
 - (c) MSF
 - (d) Buying of securities under OMO

- 5.. Which of the following is the latest measure introduced by RBI to influence liquidity in the financial system?
 - (a) Repo
 - (b) Reverse repo
 - (c) MSF
 - (d) LAF

6. Money market in India suffers from
 - (a) Insufficient funds
 - (b) Excess regulation by the government
 - (c) Insufficient demand for money
 - (d) None of the above

7. Indian money market is
 - (a) Fully integrated
 - (b) suffering from dichotomy
 - (c) Well organized and fully developed
 - (d) None of the above

8. RBI introduced reverse repos in
 - (a) 1992
 - (b) 1996
 - (c) 2002
 - (d) None of the above

9. The minimum lock in period for MMMF is
 - (a) 30 days
 - (b) 45 days
 - (c) 15 days
 - (d) None of the above

10. The Clearing Corporation of India Limited (CCIL) deals with
 - (a) Government securities
 - (b) CDs
 - (c) CPs
 - (d) None of the above

(b) Answer in one sentence (answer any seven)

(7)

1. When was the commercial paper introduced in India?
2. What are the two types of T-Bills?
3. Who are the participants in unorganized money market?
4. Explain CRR as a tool of monetary policy.
5. What is WMA?
6. What do you mean by repo and reverse repo?
7. When was STCI Constituted?
8. What are the different types of commercial bills?
9. Distinguish between call and notice money.
10. Define MMMF

Q2. (a) Explain the concept of money market? Who are the major participants?

(8)

(b) What are the features of a Treasury Bill market?

(7)

Or

(c) Write a note on FEDAI

(8)

(d) Distinguish between discount and acceptance market

(7)

Q3. (a) Distinguish between money and capital market

(8)

(b) Write a note on Repos as an instrument of managing liquidity.

(7)

Or

(c) What are the merits and demerits of issuing a commercial bill?

(8)

(d) Discuss the advantages of investing in a MMMF

(7)

Q4. (a) Explain in brief Interbank Participation Certificate.

(8)

(b) What is the reason behind RBI introducing Ways and Means Advances?

(7)

Or

(c) Why is Indian Money market considered as underdeveloped?

(8)

(d) Discuss the role of DFHI in money market?

(7)

Q5. Write short notes on (any three)

(15)

1. RBI as a regulator of Money Market
2. Types of Mutual fund
3. Organized vs Unorganised market
4. Features of CD
5. Participants in call loan market