

## MONEY MARKET

Dt: - 18/3/23

DURATION: 2 ½ hrs

Marks: 75

Notes: 1) All questions are compulsory with internal choice.

2) Figures to right indicate marks



## QUES 1 (A) True and False (attempt any 8)

(8 Marks)

1. Unorganised Sector does not mobilise savings.
2. Development institutions provide consultancy facilities.
3. Capital market is absent in India.
4. Money market deals with short term instruments.
5. RBI was nationalized in 1949.
6. SEBI regulations about inspection and audit. (mentions / does not mention)
7. Money Market Mutual Funds are managed.
8. Minimum lock in period for a MMMF is 15 days.
9. MMMFs have fluctuating returns.
10. AMC's now have to undergo stress test.

## QUES 1 (B) Match the followings (attempt any 7)

(7 Marks)

Group A	Group B
1) Capital market	a) No claim in future earnings
2) SLR	b) Discount finance house institutions
3) DFHI	c) Statutory liquidity policy
4) Money market	d) Short term funding
5) Shares	e) Long term funds
6) Bank rate	f) Credit rating agencies
7) Certificate of Deposits	g) Debt funds
8) Commercial Papers	h) Maturity from 7 days to 3 years
9) CRISIL	i) RBI finances to bank
10) Bonds	j) Issued by corporates

## QUES 2) (15 Marks)

(A) Explain the structure of Indian money market? (8 Marks)

(B) What are the characteristics of developed money market? (7 Marks)

OR

C) What is money market? What are the features of money market? (8 Marks)

D) State the objectives of FIMMDA? (7 Marks)

## QUES 3) (15 Marks)

(A) The price of 91 days treasury bill at issue is Rs 66.20, what will be the total yield of the issued treasury bill? (8 Marks)

(B) What are the objectives of DFHI? (7 Marks)

OR

- (C) What is a call money market? What are the advantages and disadvantages of call money market? (8 Marks)
- (D) What are advantages and disadvantages of commercial bills? (7 Marks)

**QUES 4) (15 Marks)**

- (A) What is a commercial bill? What are the characteristics of commercial bills? (8 Marks)
- (B) What are the different types of commercial bills? (7 Marks)

OR

- (C) A company issues a commercial paper at an effective rate of 10% for 90 days. The actual issue rate is at Rs. 75 per Rs. 100. Calculate the discount value of commercial papers? (8 Marks)
- (D) What is a treasury bill? Explain the advantages and disadvantages of a treasury bill? (7 Marks)

**QUES 5) (15 Marks)**

- (A) What is the regulatory framework of money market mutual funds? (8 Marks)
- (B) What are recent measures taken by SEBI for the mutual funds? (7 Marks)

OR

**QUES 5) Short notes (attempt any 3):**  
Marks)

(15

- 1) FEDI
- 2) Commercial papers
- 3) Inter corporate deposits
- 4) Foreign bills
- 5) Money market