

SVKM'S NMIMS UNIVERSITY

SCHOOL OF DISTANCE LEARNING

Programme: (Semester): DBFM(II)/PGDBFM(II)/ADBFM(I)

Subject: Economic Environment for Banking

Date: 05-06-2009  
C 11.00 AM - 2.00 P

Full Marks: 100

Time: 3 hours

**Instructions:** Candidates should read carefully the instructions printed on the question paper and on the cover of the Answer Book, which is provided for their use.

**NB:** Answer to each new question to be started on a fresh page.

**Answer any THREE of the following:**

(10 X3 = 30)

1. Explain the difference between GDP and GNP, with example.
2. What are the different indices used to measure inflation in India?
3. Explain the concept of Balance of Payments.
4. What do you mean by a fully convertible currency?
5. What is devaluation of a currency?

**Answer any THREE of the following:**

(15 X3 = 45)

6. What are the objectives of monetary & fiscal policies?
7. What do you mean fiscal deficit? Suggest some remedial measures that the government can undertake.
8. Write a short note on - World Trade Organization & its functions.
9. What do you mean by tariff and non-tariff barriers to trade? Give examples.
10. Explain any TWO modes of entry? Give appropriate examples in the Indian context.

**Answer any ONE of the following:**

(25)

11. Analyse competitive scenario for the retail banking industry in India.
12. How would you tide through the current slowdown in India by applying monetary and fiscal measures?