Dr. Babasaheb Ambedkar Open University
Term End Examination July – 2018

Course	:	**PGDF**	**Date**	:	**18/7/2018**
Subject Code	:	**PGDF-201**	**Time**	:	**11:00am to 02:00pm**
Subject Name	:	**Banking Management**	**Duration**	:	**03 Hours**
			Max. Marks	:	**70**

Section A

Answer the following (Attempt any three) **(30)**

1. Explain various components of organized sector of Indian money market.
2. What is branch banking? Explain advantages and disadvantages of Branch Banking.
3. Discuss various Functions of Money.
4. Write a note on: NPA
5. Explain various traditional functions of RBI.

Section B

Answer the following (Attempt any four) **(20)**

1. Discuss the importance of capital market in economic development.
2. Development Function of RBI.
3. Briefly discuss types of financing
4. Explain, Inflation vs. Deflation.
5. Explain various functions of money market.
6. Discuss any five types of loans and advances

Section C

Part – A (Multiple Choice Questions) **(10)**

1 Which among the following is not a Fiscal Policy measure to control deflation?

A deficit financing B reduction in tax rates
C tax concessions D grant of subsidies

2 For regulation and development of the insurance sector of the country the government has formed:

A RBI B SEBI
C IRDA D General Insurance Corporation

3 What is Syndicated Loan?

A It is a loan facility provided to a company by group of banks B It is a loan facility provided to a single individual by group of banks
C It is a loan facility provided to company by single bank D It is a loan facility provided to single by single bank

4 What is scheduled bank in India?

A It is scheduled in the II schedule of banking regulation Act.

B It is scheduled in the II schedule of Constitution.

C It is scheduled in the II schedule of Reserve Bank of India Act.

D None of the Above

5 The cause of Inflation is :

A Increase in money Supply

B Increase in Money Supply and fall in production

C Fall of Production

D Decrease in money supply and fall in production

6 What is the Animal on the insignia of RBI ?

A Lion

B Tiger

C Panther

D Elephant

7 Which is not a function of Investment Banking?

A It helps public and private corporations in issuing securities in primary market

B It provides financial advice to investors

C It grant retail loans

D It raises capital.

8 If GNP is Rs. 4,000 million and money stock M is Rs. 100 millions, then what will be the income velocity?

A 10

B 20

C 30

D 40

9 Which is correct with respect to inflation :

A rise in Budget Deficit

B Rise in money supply

C Rise in general price index

D Rise in prices of consumer goods

10 Which is not a feature of Credit Card?

A It increases customer-base of the bank

B It creates a brand name and popular image for the bank

C It helps in availing credit with minimum formality

D It help in issuing of passbook from the bank

Part – B (Do as Directed) (10)

1 Write a note on Inflation.

2 Name general principles of investment policy of commercial banks

3 Name various functions of Merchant banking

4 What is Kisan credit card scheme?

5 What is window dressing?