

Register No.: Name.:

SAINTGITS COLLEGE OF ENGINEERING (AUTONOMOUS)

(AFFILIATED TO APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY, THIRUVANANTHAPURAM)

THIRD SEMESTER MBA DEGREE EXAMINATION (S), FEBRUARY 2023**(2021 Scheme)****Course Code : 21MBA273****Course Name: Managing Banks and Financial Institutions****Max. Marks : 60****Duration: 3 Hours****PART A****(Answer all questions. Each question carries 2 marks)**

1. Recall marginal standing facility
2. What is a master circular?
3. Summarize the principles of investment policy for banks.
4. How does ALM help banks in risk management?
5. Explain the role of NABARD.

PART B**(Answer any 3 questions. Each question carries 10 marks)**

6. Identify challenges of banking industry in India.
7. What are the principles of sound lending?
8. Identify elements of loan policy and factors influencing loan policy.
9. Explain Basel norms of capital adequacy in banks.
10. Identify challenges and opportunities of fintech companies in India.

PART C**(Compulsory question, the question carries 20 marks)**

Given below are the inflation and GDP growth rate of India for the past four quarters. Reserve Bank of India Governor recently told the media that inflation is the biggest economic concern before the Central Bank and observed that RBI is aiming to balance economic growth and inflation. The Governor also mentioned that RBI is targeting a healthy inflation rate between 4% – 4.5%.

11.

Period	GDP Growth	Inflation
Q1	0.12%	8%
Q2	-1%	6%
Q3	-1.2%	7%
Q4	-2%	7.20%

- a) Analyze the above scenario and suggest an appropriate monetary policy using various tools of monetary control. (Marks12)

b) List the effect of monetary policy changes on banks' financial statement
Marks (8)
