

SVKM's NMIMS University
School of Distance Learning

Economic Environment for Banking

Date: 13.12.2007
Time: 11.00 to 2.00

Marks: 100

- Note: (1) Attempt any four questions only.
(2) All questions carry equal marks.
(3) The total number of questions set in this paper is seven (07) only.

- Q 1 What is convertibility of currency? Discuss the factors that led to the currency crisis in Thailand and South Korea. What are the lessons for India to be learnt from this? What is the stand of RBI and Government of India towards Capital Account convertibility?
- Q 2 Explain the recent trends in Fiscal Deficit of Government of India. What is the impact of and the long-term solution for Fiscal Deficit in India?
- Q 3 What is the difference between GDP and GNP?
Calculate the following based on the values given in the table below:
- a) GDP at Market Prices
 - b) GNP at Market Prices
 - c) NNP at Market Prices
 - d) NNP at Factor Costs

Items	Rs. Crores
Value of all final consumption and capital goods	4200
Depreciation Allowances	500
Value of Import	300
Subsidies	150
Value of Exports	250
Commodity Taxation	300
Net Income from abroad	25

- Q 4 Explain the following terms in brief:
- (a) Causes and Effects of Inflation
 - (b) Corporate Governance
 - (c) Consumer Price Index
 - (d) Money Multiplier
 - (e) GDP Deflator
- Q 5 Explain the structure of Balance of Payment Statement and examine in detail the recent trends observed in the BOP in India.

- Q 6 (a) Discuss Analysis of Competitive Rivalry using Porter's Five Forces Model.
(b) Discuss the four generic forms of Entry available for new firms wanting to enter an industry.
- Q 7 Write Short Notes on any two of the following
(a) Universal Banking
(b) Role of WTO in promoting India's exports
(c) SWOT Analysis for a business firm
