



Roll No.....

G.L. Bajaj Institute of Management & Research

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.)-201306

POST GRADUATE DIPLOMA IN MANAGEMENT (2019-21) MID TERM EXAMINATION (TERM-V)

Paper : Management of Banking and Financial Services
Sub. Code: PGF-03

Time: 01.30 hour
Max Marks: 20

Note:

1. Writing anything except Roll Number on question paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.

2. All questions are compulsory in Section A, B & C. Section A carries 1 Case Study, 8marks, Section B carries 3 questions of 2 marks each and Section C carries 2 questions 3 marks each.

SECTION A

8 Marks

Q. 1: Case Study:

Income statement and balance Sheet of ICICI bank for the last five financial Years are given as under:

INCOME STATEMENT ITEMS

Annual	MAR 2020	MAR 2019	MAR 2018	MAR 2017	MAR 2016
Interest.Earned	74798.32	63401.19	54965.89	54156.28	52739.43
Other Income	16448.62	14512.16	17419.63	19504.48	15323.05
Interest.expended	41531.25	36386.40	31940.05	32418.96	31515.39
Net Profit	11,226	5,689	9,099	11,340	10,946

BALANCE SHEET ITEMS:

Capital	1294.76	1289.46	1285.81	1165.11	1163.17
ReservesandSurplus	115206.16	107073.91	103867.56	98779.71	88565.72
Deposits	770968.99	652919.67	560975.21	490039.06	448528.09
Advances	645289.97	586646.58	512395.29	464232.08	435263.94
Investments	249531.48	207732.68	202994.18	161506.55	160411.80

Gross NPA	40,829	45,676	53,240	42,159	26,221
Gross NPA (%)	6.00	7.00	10.00	9.00	6.00

Questions:

- Calculate the Net Interest margin and ROE of ICICI bank for all Financial Year. [4 marks]
- Critically analyze the performance of ICICI bank and comment on the NPA and other indicators of the bank.



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SECTION B

2X3= 6 Marks

Q.2: What is likely to happen to (a) deposits with the banking system and (b) interest rates in each of the following transactions? [2 marks]

- i) The central bank decreases CRR by 25 basis point
- ii) The central bank increases CRR by 50 basis point
- iii) The central bank buys government securities of Rs 10000 crore from the banking system
- iv) The central bank sells government securities of Rs 10000 crore to the banking system

Q.3: Why are non-banking financial companies valuable to the financial system? Can their failure cause systematic risk? [2 marks]

Q.4 How does a Bank manages its Interest rate risk? Explain with suitable examples. [2 marks].

SECTION C

3X2= 6 Marks

Q.5: Comment on the current capital adequacy of Indian public sector banks. [3 marks]

Q.6: Comment on the current CASA ratio of Private and Public sector banks of India. [3 marks]

Mapping of Questions with Course Learning Outcome

COs	Question Number(s)	Total Marks Allocated to each CO
CO1	Q-2,	2
CO2	Q-3, Q-4	4
CO3	Q5, Q-6	6
CO4	Q-1(A), Q-1(B)	8