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Total Number of Pages : 02

IMBA
16IMN702

7th Semester Regular Examination 2019-20
BANKING & INSURANCE MANAGEMENT

BRANCH : IMBA

Max Marks : 100

Time : 3 Hours

Q.CODE : HR144

Answer Question No.1 (Part-1) which is compulsory, any EIGHT from Part-II and any TWO from Part-III.

The figures in the right hand margin indicate marks.

Part- I

Q1 Only Short Answer Type Questions (Answer All-10) (2 x 10)

- What areas of Banking are covered by information and communication technology?
- Can a Fixed deposit be claimed before maturity?
- What made the government of India to nationalize the commercial banks in India?
- Why margin is insisted upon incase of loans?
- Why the payment mechanism of Banks is important for the economy?
- When can any complaint be lodged with the "Banking ombudsman"?
- How does compliance with KYC provisions in letter and spirit help banks?
- What is meant by "Principle of causa-proxima" in insurance?
- A Business man has applied in the court for adjudication as an insolvent. Can he become an insurance agent? Justify.
- What does TPA provide?

Part- II

Q2 Only Focused-Short Answer Type Questions- (Answer Any Eight out of Twelve) (6 x 8)

- "Fundamental principles on which credit is generally based are Character, Capacity, and Capital". Explain
- A Cheque payable to "M or Order" drawn by X on your branch is stolen and the thief forges "M's signature and presents to you for payment. However you make the payment in due course. M is having a S.B. a/c with you not operated for the last 5 years. M wants to recover the cheque amount from you. What Recourse you have, as a banker, in this case.
- Excellent plastics Ltd. Are having a cash-credit limit of Rs.10 crores and bills purchase limit of Rs.5 crores. The company has sought increases in cash-credit limit up to Rs.20 crores and bills purchase limit up to Rs.10 crores. Memorandum and Articles of Association of the company give powers to the directors to borrow and give security, but are silent as to the limit upto which the company can borrow. The paid-up capital and reserves of the company as on the date of last balance sheet amounts to Rs20 crores. Turnover in the account and other operating data are satisfactory. Would you as a banker recommend the proposal?
- Explain the principles that the banker must adhere to for maintaining the trust and faith of its customers.
- List down the popular E-Banking transactions.
- A grandfather wants to open a Savings bank account in the names of his grandchild (aged 6 years) and himself. How would you, as a banker deal in this case?
- Mrs. Das approaches you with a request to pay to her the amount of a fixed deposit of Rs.50,000 standing in the name of her husband. The Fixed deposit is matured. Mrs. Das claims that Mr. Das is reported missing for 5 years. How will you, as a banker deal with this situation?

- i) Briefly explain the "principle of utmost good faith" with reference to life and non-life insurance.
- j) Explain the importance of Risk management in Insurance.
- k) Write a short note on Micro insurance.
- l) What constitutes an unfair or misleading advertisement according to IRDA Act? Explain.

Part-III

Only Long Answer Type Questions (Answer Any Two out of Four)

- Q3** "The Government has brought about an improvement in the functioning of nationalized banks by introducing the element of competition from new private sector banks"- Elucidate. (16)
- Q4** Discuss how allied services offered by Banks add value to the banks as well as to the customers? (16)
- Q5** What do you mean by Policy holder's interest? What steps is the insurer to take to protect the policy holder's interest? (16)
- Q6** Examine in detail the present position and future of health insurance in India. (16)