

**PARUL UNIVERSITY**  
**FACULTY OF MANAGEMENT**  
**MBA Summer 2017 - 18 Examination**

**Semester: 4**  
**Subject Code: 06201253**  
**Subject Name: Banking and Insurance**

**Date: 25/05/2018**  
**Time: 10:30am to 1:00pm**  
**Total Marks: 60**

**Instructions**

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

**Q.1 Do as Directed.****A).Multiple choice type questions. (Each of 1 mark) (05)**

1. The specific goals of central banks include each of the following EXCEPT:
 

a) high and stable real growth.	c) high levels of imports.
b) low and stable inflation.	d) low and stable unemployment rates.
- 2 Low and stable inflation implies:
 

a) that the rate of inflation <i>averaged</i> over many years is zero (0).	c) that the rate of inflation year after year is low.
b) low rates of economic growth.	d) low rates of unemployment.
- 3 Which of the following term is not used in insurance sector?
 

a) Indemnity	c) Misuse Alert
b) Coverage	d) Casualty
- 4 Which one of the following does not belong to the major general insurance private sector companies in India?
 

a) Bajaj Allianz General Insurance	c) Royal Sundaram Alliance Insurance
b) Reliance General Insurance	d) The Oriental Insurance Company
- 5 Life Insurance Corporation was found on:
 

a) 1 April, 1955	c) 4 September, 1956
b) 6 December, 1960	d) 1 September, 1956

**B).Define the following. (05)**

1. Statutory Liquidity Ratio
2. Cash Reserve Ratio
3. Demand deposits
4. Claim
5. Peril

**C).Direct questions. (05)**

1. What is Reinsurance?
2. What is Bancassurance?
3. What is term insurance?
4. What is double insurance?
5. List out various traditional banking functions.

**Q.2 Answer the following questions.**

- A).** Explain various types of banks in Indian Banking system in brief. (07)
- B).**What is NPA? Which are categories of NPA? Explain NPA management strategies. (08)

**Q.3 Answer the following questions.**

- A).** What is Insurance? Why we need insurance? Explain various advantages and disadvantages of insurance. (07)
- B).**Explain any four policies of life insurance and general insurance each. (08)

**Q.4 Attempt any two questions. (15)**

1. Discuss various modes of creating charges on Assets by Banks along with suitable examples.
2. Explain various modes of Electronic Fund transfer in India along with suitable examples.
3. Discuss various issues and challenges for Insurance in India.
4. Explain various elements of premium calculation.