



SRN – 20

**M.Com. (Semester – III) (Accounts and Finance) Examination, April 2016**  
**COO3A2 : BANKING AND INSURANCE MANAGEMENT (OA – 18)**

Duration : 3 Hours

Max. Marks : 60

**Instructions :** 1) This paper consists of **nine** questions carrying **equal** marks.  
2) Question No. 1 consists of **5 compulsory** questions of **2 marks each**.  
3) Answer **any 5** questions from question 2, 3, 4, 5, 6, 7, 8 and 9.  
4) **Each** question carries **10** marks. Figures to the **right** indicate marks.

1. Answer the following short questions in brief : (5×2=10)
  - a) Explain insurance as a risk pooling arrangement.
  - b) Write note on traditional functions of banks.
  - c) Explain any four strengths of Indian banks.
  - d) What are insurance intermediaries ? State the types of insurance intermediaries.
  - e) What are the functions of capital funds in commercial banks ?
2. Explain the functions and role of the Reserve Bank of India in national economy. 10
3. Enumerate in detail fundamental principles of insurance. 10
4. Bring out recommendations of Narasimham Committee - I on banking reforms in India. 10
5. What are the prerequisites for Assets-Liability Management in banks ? Explain. 10
6. a) What is risk management in insurance ? Explain various risk management methods adopted by insurance business. 5  
b) Explain nature of insurance. 5
7. What are the factors leading to mounting Non-Performing Assets in Indian Banks ? What are the steps adopted by Government and RBI to control NPA in Indian Banks ? Explain. 10
8. a) What is insurance premium ? Explain the factors to be considered while determining insurance premium rate. 5  
b) Enumerate main provisions of Insurance Act, 1938. 5
9. a) Explain the main reasons for failure of Commercial Banking in India. 4  
b) What are the steps adopted by Indian Banks for management of credit risk ? Explain. 6