



**M.Com. (Semester – III) (Accounting and Finance) Examination,
November 2017
COO3A2 : BANKING AND INSURANCE MANAGEMENT (OA – 18)**

Duration : 3 Hours

Max. Marks : 60

- Instructions:** 1) This question 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 questions **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) Adverse Selection of Insurance is one of the defects in insurance. What it means and how it is controlled in insurance underwriting ?
 - b) What is Non-Performing Assets (NPA) ? State the four bases for treating credit facilities as Non-Performing.
 - c) Explain briefly four distinct types of insurance contracts.
 - d) Explain any four risks related to E-Banking.
 - e) Explain how risk pooling arrangement beneficial to insurance company.
2. Commercial Banks in India have undergone a sea level changes in recent time. Class banking turned into mass banking. In this regards carry out the SWOT analysis of Indian Commercial Banks. 10
3. Explain the different sources of risks in banks and enumerate the measures for identifying and controlling different types of risks in banks. 10
4. A) For ensuring that Assets Liabilities Management process is undertaken successfully, each bank has to recognize the happenings in the marketplace. In this context explain prerequisites for Assets Liabilities Management in the Indian banks. 6
- B) Explain the capital adequacy norms in Indian Commercial Banks and discuss its relevance. 4

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5. Insurance is complex mechanism. The transfer of the risk from the insured to the insurer is the major issue in an insurance transaction. It was rightfully to have some fundamental principles. Discuss. 10
6. A) Creation of IRDA is based on the Indian Insurance Act, 1938. Discuss the relevant provisions of which are adopted in the creation of IRDA. 5
- B) What is insurance premium ? Explain the factors to be considered while determining insurance premium rate. 5
7. A) The recommendation of Narasimham Committee – II (1998) brought the drastic changes the Indian banking sector. Discuss. 7
- B) List out the activities of Assets Liabilities Committee (ALCO) in banks. 3
8. Life insurance companies in India have developed various life insurance plans to meet the preferences of Indian customers. Explain with examples of life insurance plans. 10
9. A) Explain scope of fire insurance and describe kinds of fire insurance policies. 5
- B) What is risk management in insurance ? Explain various risk management methods adapted by insurance companies. 5
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