

VPM's
DR VN BRIMS, Thane
Programme: MMS (2013-15)
Third Semester Examination October/November 2014

Subject	MMS-III Finance	Banking & Insurance (BI 03)	
Roll No.		Marks	60 Marks
Total No. of Questions	7	Duration	3 Hours
Total No. of printed pages	2	Date	07.11.2014

Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions.

Q1) 20 Marks (Compulsory)

Describe schedule wise various heads/sub heads/items of a bank balance sheet.

Attempt Any FOUR from the Remaining SIX Questions

Q2) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) What are the various functions and activities of a commercial bank ?
- b) Describe importance and requirement of investment in Insurance Sector.
- c) How is classification of securities done in banks? Describe and explain.

Q3) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Who is the banking regulator in India? Describe its various roles and functions.
- b) Describe Duration, Portfolio duration and Modified duration
- c) Describe salient features of a typical risk management organization in a bank.

Q4) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Describe priority sector lending by Indian banks and its importance for social sector
- b) Describe various forms of payment systems in banking sector.
- c) Describe various risks in insurance sector.

Q5) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Describe in brief requirements and objectives of Basel II.
- b) What are the terms of an insurance policy?
- c) Define "Securitization", "Securitization Company" and "Security interest"

Q6) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Describe various types of reserves to be maintained by insurance companies.
- b) What is a Central Registry under SARFAESI Act ? Describe salient features of its role and functions..
- c) What are various types of non-life insurance ?

Q7) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

a) Describe salient features of latest monetary policy 2014-15.

b) Describe various types of risks in banks.

c) Mr. P had taken 3 fire insurance policies for his house and paid the respective premium by cheques. The policies were for Rs.2,00,000 from insurance company ABC, for Rs.1,00,000 from Insurance company XYZ and for Rs. 50,000 from Insurance Company DEF. Cheques issued in favour of ABC and XYZ were paid. Cheque issued in favour of DEF was returned unpaid on account of an overwriting, though there was sufficient balance in his account. There was a fire in Mr P's house and the loss was Rs.1,50,000. How much will be the claim paid by each of the 3 companies?