

MMS - III
Finance
Banking & Insurance
BI 03

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01/11/10
Finance
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ROLL NO.

TOTAL NO. OF PAGES: 3

TOTAL NO. OF QUESTIONS: 19

MAXIMUM MARKS: 60

DURATION (HRS): 3 Hours

NOTE: Answer 4 questions each from all 3 sections below. Each question carries 4 marks. Besides Question No. 1 is compulsory and carries 12 marks. All sections to be solved in same Answer Book.

Question 1: Define / Explain in short the following terms:-

- 1 Micro Finance
- 2 Bank Card
- 3 Clearing House
- 4 Letter of Credit
- 5 Offshore Banking
- 6 Non Performing Assets
- 7 Cash Surrender Value
- 8 Actuary
- 9 Accidental Death Clause
- 10 Variable Life Insurance
- 11 BancAssurance
- 12 Homeowner's Insurance

SECTION 1

Question 2:

What is a Bank? Describe important milestones in Indian Banking post independence.

Question 3:

Describe role of Central Bank of a country. In particular mention highlights and impact of RBI's monetary policies in last 6 months of this financial year.

Question 4:

What is an Asset Reconstruction Company? Describe the process of its working.

Question 5:

What is a Cooperative Bank? Describe the role played and impact of Cooperative Banks in last 3 decades.

Question 6:

Write a short note on Retail banking operations of public sector banks in India.

Question 7:

What is Electronic transfer of funds? Write a short note on RTGS in India.

SECTION 2

Question 8:

Define Asset Liability management? Describe process of Asset Liability Management covering all important components.

Question 9:

What do you understand by Liquidity Risk? Mention the factors affecting liquidity risk.

Question 10:

Write a short note on Value at Risk. Mention methods of calculating VaR.

Question 11:

What is Credit Risk? Mention factors on account of which it arises.

Question 12:

Define functions of Front office, Mid office and Back office.

Question 13:

Why hedging instruments are called derivative instruments? Mention four major types of derivative instruments.

SECTION 3

Question 14

Write a short note on Growth and Development of insurance in India

Question 15:

Describe the challenges of opening of General Insurance sector in India for the public sector insurance companies.

Question 16:

Write a short note on salient features of Malhotra Committee report on modernization of Insurance business in India.

Question 17:

How do Fund Management operations in Insurance sector differ from the Banking sector?

Question 18:

As regards ULIP scheme, what was the bone of contention between SEBI and IRDA? What is the outcome?

Question 19:

Describe role of the Deposit and Credit Guarantee Corporation of India.

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