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[19 HRGPKOW–D5S(N)19D]

BBA 5th Semester (New) Exam., 2019 (W)

INSURANCE AND BANKING

[GBA S5–03]

Full Marks : 80

Time : 3 hours

The figures in the margin indicate full marks for the questions

1. *(a)* Answer the following questions in *one* or *two* sentence(s) : 1×8=8

(i) Define insurance.

(ii) State the meaning of 'Principle of Subrogation'.

(iii) What do you mean by 'surrender value'?

(iv) Define fire insurance as per Insurance Act.

(v) Who is 'customer' of a banker?

(vi) What is meant by overdraft?

(vii) Define 'negotiable instruments' according to Negotiable Instruments Act, 1881.

(viii) What is meant by RTGS?

(b) Choose the correct answer : 1×4=4

(i) In which of the following years, the Banking Regulation Act was enacted in India?

(1) 1989

(2) 1949

(3) 1979

(4) 2009

(ii) A policy which covers goods in course of transit from one place to another by rail, air or sea transport is known as

(1) blanket policy

(2) rent policy

(3) transit policy

(4) adjustable policy

(iii) Which of the following is not the negotiable instrument as defined by Negotiable Instruments Act in India?

(1) Banker's note

(2) Promissory note

(3) Bill of exchange

(4) Cheque

(iv) Portfolio Management is concerned with

(1) management of securities and assets

(2) issuing of credit cards

(3) providing loans to customers

(4) issuing letter of credit

(c) Fill in the blanks : 1×4=4

(i) Businessmen invest money by predicting the _____.

(ii) A bank is an institution that accepts _____ in terms of money.

(iii) A cheque contains an unconditional _____ to pay.

(iv) A mutual fund company is a/an _____ company.

2. Answer any *five* questions from the following (each in around *50* words) : 2×5=10

(a) State two causes of business risks.

(b) Write two advantages of life insurance.

(c) Mention two objectives of Exim Bank of India.

(d) Describe two advantages of computerisation.

(e) State the two types of letter of credit issued by a banker.

(f) Explain two duties of paying banker.

3. Answer any *six* questions from the following (each in around *120* words) : 4×6=24

(a) Write a short note on 'insurance documents involved in policy servicing'.

(b) Point out the differences between life insurance and non-life insurance.

(c) What are the different types of marine losses?

(d) Explain the different categories of development banks.

(e) Write a brief note on rights of banker.

(f) State four differences between a promissory note and a bill of exchange.

(g) Explain the advantages of bank draft.

4. Answer any *five* questions from the following (each in around *200* words) : 6×5=30

(a) Describe the six types of business risks that have to be faced by a businessman.

(b) Explain about six different types of life insurance policy that can be purchased by a policy holder.

(c) Discuss the important features of e-banking.

(d) What are the various considerations a banker should keep in mind before granting advances to its borrower?

(e) Explain the advantages and disadvantages of Internet banking.

(f) Mention the conditions for issuing buy-back of securities by a company.

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