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[20-HRGPNW–D5S(N)21A]

BBA 5th Semester (New) Exam., 2020 (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 *1* or *2* sentence(s) each : 1×8=8

(i) What is insurance?

(ii) What is assignment of insurance policy?

(iii) What is hull insurance?

(iv) What is investment bank?

(v) Define paying banker.

(vi) State two securities against which banks grant loans.

(vii) What is RTGS?

(viii) What is buy-back of securities?

(b) Choose the correct answer : 1×4=4

(i) Which of the following statements is correct?

(1) Business risk is not associated with scale of operation.

(2) Risk is not inherent in all businesses.

(3) Business risks depend on the nature of business.

(4) Internal factors do not create risk for the business.

(ii) In mutual fund, the unitholder is the

(1) fund manager

(2) asset management company

(3) Board of Trustees

(4) None of the above

(iii) Which of the following is/are correct about promissory note?

(1) Unconditional order per payment

(2) The debtor is the drawer of the promissory note

(3) Both (1) and (2) are correct

(4) (1) is correct but (2) is incorrect

(iv) Overdraft facility is associated with

(1) fixed deposit account

(2) recurring deposit account

(3) current deposit account

(4) All of the above

(c) Fill in the blanks : 1×4=4

(i) Tax benefit is associated with _____ insurance.

(ii) The Banking Regulation Act was passed in the year _____.

(iii) Bill discounting is a _____ advance.

(iv) Locker facility is one of the _____ services of banks.

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

(a) What is risk management?

(b) What is endowment assurance policy?

(c) What is fire insurance?

(d) What is corporate banking?

(e) What is garnishee order?

(f) Discuss the advantages of investing in mutual funds.

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

(a) Discuss the causes of business risk.

(b) What is meant by revival of insurance policy?

(c) Discuss the features of life insurance.

(d) Discuss the causes for which a claim against fire insurance policy can be rejected.

(e) Differentiate between fire and marine insurance.

(f) Discuss the features of e-banking.

(g) Write a short note on letter of credit.

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

(a) Discuss the principles of insurance.

(b) What is development bank? Discuss the different types of development banks. 2+4=6

(c) Discuss the relationship between banker and customer as debtor and creditor.

(d) Discuss the principles of sound lending.

(e) Discuss the different types of crossing of a cheque.

(f) Discuss the functions of commercial banks.

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