

PY BCSE (I)

Time: 2.30 Hrs

Marks: 75

**Q1. A. Fill in the Blanks (Any 8 out of 10)**

**8 Marks**

1. The \_\_\_\_\_ is maintained in the form of Cash Balance with RBI. (CRR, SLR, PLR)
2. Banking Company means any company which transacts the business of \_\_\_\_\_ in India. (Banking, Insurance, Communication)
3. IRDA regulates the investment of funds by \_\_\_\_\_ companies. (Banking, Insurance, Communication)
4. Recurring Deposit is a type of \_\_\_\_\_ deposit. (Demand, Time, Place)
5. ALM is recognized in India as \_\_\_\_\_ (Strategic approach, Turnaround approach, Systematic approach, None of these)
6. NABARD is the apex institution looking after \_\_\_\_\_ finance. (Industrial, Agricultural, Housing)
7. A \_\_\_\_\_ term loan is repayable in 3–7 years. (short, long, medium)
8. The First pillar under Basel II talks about \_\_\_\_\_ (Minimum Capital requirement, Supervisory review, Market discipline, disclosure norms)
9. \_\_\_\_\_ means proportionate payment of claim. (Contribution, Indemnity, Subrogation)
10. The full form of LIC is \_\_\_\_\_. (Life Investment Committee, Life Insurance Corporation, Life Insurance Committee, Life in Course)

**Q1. B. State whether the following are True or False. (Any 7 out of 10)**

**7 Marks**

1. SEBI is a regulatory financial institution for stock exchange.
2. Banking Regulation Act was passed in 1947.
3. Liquidity Risk is a type of Market Risk.
4. Medical Insurance forms the lifeline of several commerce and trade activities.
5. Duration Analysis is the method to measure the interest rate risk.
6. Insurance is a Mutual form of distributing a certain risk over a group of persons who are exposed to it.
7. The SLR cannot be less than 30% of the demand and time liabilities of a bank.
8. IDBI provides long term finance to industries.
9. Fixed Deposit is also called as Cumulative Deposit Account.
10. Financial Instruments are one of the important component of Financial System.

- Q2 a) Define Financial Markets. Explain its types. 8 Marks  
b) Explain any 5 types of Development banks. 7 Marks
- OR**
- Q2 c) What are the fundamental principles of insurance? 8 Marks  
d) Distinguish between Commercial Banks and Cooperative Banks. 7 Marks
- Q3 a) Explain the Role of Insurance Company. 8 Marks  
b) State and explain the different types of Insurance. 7 Marks
- OR**
- Q3 c) What are the objectives of insurance? 8 Marks  
d) Explain the business of banking company and prohibited business. 7 Marks
- Q4 a) What are the recommendations of Narasimham Committee 1991? 8 Marks  
b) Explain different types of insurance. 7 Marks
- OR**
- Q4 c) Explain the Functions of ALM. 8 Marks  
d) Explain the functions of RBI. 7 Marks
- Q5 a) What is Reinsurance? How it is different from Double Insurance? 8 Marks  
b) What are the powers and functions of IRDA? 7 Marks
- OR**
- Q5. Write Short Notes on:- (Any 3 out of 5) 15 Marks
- i. Bancassurance
  - ii. Departments of RBI
  - iii. CRR and SLR
  - iv. Banking Ombudsman
  - v. Risk Management System

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