

Duration: 2:30 Hours

D210NEMFS

Marks:- 75

Note:- 1) All questions are compulsory

2) All questions carry equal marks

3) Figures to the right indicate maximum marks.

Q.1A) Select the correct alternative out of the options given below :- (Any 8)

(10 M)

- 1) Credit cards are issued by \_\_\_\_\_.  
a) Insurance companies    b) Telephone companies    c) Banking companies    d) Broking companies
- 2) Which of the following is a public sector banks?  
a) HDFC Banks    b) Central Bank    c) Yes Bank    d) Bank of Baroda
- 3) \_\_\_\_\_ companies may be allowed to enter through collaboration with an Indian company .  
a) Indian    b) Domestic    c) Foreign    d) International
- 4) The minimum requirement as per act for CRR is \_\_\_\_\_.  
a) 2%    b) 3%    c) 4%    d) 5%
- 5) Which of the following is a Principal of insurance? .  
a) Indemnity    b) Premium    c) Age of assured    d) Adverse
- 6) The minimum capital to set up a local area bank is \_\_\_\_\_.  
a) Rs. 5 corer    b) Rs. 10 corer    c) Rs. 20 corer    d) Rs. 15 corer
- 7) The first pillar under based II talks about \_\_\_\_\_.  
a) Minimum capital requirement    b) Supervisory review    c) Market discipline    d) Disclosure norms
- 8) ALM is recognized in india as a \_\_\_\_\_.  
a) Strategic approach    b) Turnaround approach    c) Systematic approach    d) None of these
- 9) \_\_\_\_\_ analysis is the important technique used to analyze interest rate risk .  
a) Interest    b) Gap    c) Liability    d) Liquidity
- 10) All the activities of the agricultural credit department are now transferred to \_\_\_\_\_.  
a) Bankers    b) NABARD    c) IRDA    d) Brokers

Q.1B) State whether following statements are true or false :- (Any 7)

(7 M)

- 1) Financial instruments can be classified into primary and money market.
- 2) The objective of commercial banks is not make profit.
- 3) Insurance penetration in India is just 4.6% in case of life insurance .
- 4) Insurance is a financial arrangement that redistributes the cost of unexpected losses.
- 5) RBI is the regulator of banks and the securities market in India.
- 6) Risk reduction is not possible in insurance sector.
- 7) All banks have risk management committee
- 8) NPA stands for non performing asset
- 9) Kisan vikas patra, National saving certificates are sold through banks.
- 10) The environment of insurance in India is advice

Q.2) Answer the following :-

(15 M)

- 1) What is banking? Explain the features of banking.
  - 2) Explain the various functions services?  
*financial*
- OR
- 3) Explain the functions of IFCI (industrial finance corporation of India)?

4) Explain the structure of financial system? .

(15 M)

**Q.3 Answer the following :-**

- 1) Explain the Various principles of insurances?
- 2) What is the significance of Banking?

OR

- 3) Explain the structure of banking in India?
- 4) Explain the functions of banking Companies?

(15 M)

**Q.4) Answer the following :-**

- 1) What are the objectives of ALM (Asset Liability Management) ?
- 2) Explain the Benefits of risk Management in Insurance Companies?

OR

- 3) Explain the process of risk management?
- 4) What is the recommendation of narasimham committee (1991)?

(15 M)

**Q.5) Answer the following :-**

- 1) Explain the supervisory functions of RBI?
- 2) Explain the objectives and tasks of the RBI?

OR

(15 M)

**Q.5) Write short notes on :- (Any 3)**

- 1) Powers and Functions of IRDA.
- 2) The General insurance Business (nationalization) Act, 1972
- 3) Objects of the Banking ombudsman scheme 1995
- 4) Legal framework of banking.
- 5) Classification of NPAs

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