

2018 F4032 (PPR2) (08)

QP Code : 07034

(2½ Hours)

[Total Marks : 75

- N.B. : (1) All questions are **compulsory** with internal choices.
(2) **Figures to the right indicate full marks.**

1. (a) Fill in the Blanks (any **eight**) :—

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- (i) Banking is essentially a business dealing with _____
1. Goods
2. Money
3. Electronic.
- (ii) Hypothecation is the mortgage of _____ property for securing loan.
1. Movable
2. Immovable
3. Land and building.
- (iii) NABARD was established in the year _____
1. 1982
2. 1956
3. 1955.
- (iv) SBI was nationalized in the year _____
1. 1969
2. 1956
3. 1955.
- (v) _____ provides licence for all banks by the Reserve Bank of India.
1. Section 23
2. Section 22
3. Section 35.
- (vi) General Insurance was nationalized in the year _____
1. 1973
2. 1956
3. 1935.
- (vii) Marine policy is also called as _____
1. Sea policy
2. Floating policy
3. Valued policy.
- (viii) _____ deals with the financial impact of risk and uncertainty
1. Rider
2. Risk Manager
3. Actuary.
- (ix) _____ are also called as fixed deposits and are repayable after the expiry of specified term
1. Term deposit
2. Demand deposit
3. Saving deposit
- (x) Minimum period of fixed deposit is _____ days.
1. 120
2. 30
3. 7

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- (b) State whether the following statements are True or False :- (any seven) 7
- (i) Nomination can be cancelled by the policyholder without informing to the nominee.
 - (ii) The Reserve Bank of India has the right of issuing all denominations of currency notes.
 - (iii) If the property is insured with two or more independent insurers it is called reinsurance.
 - (iv) The principle of subrogation is applicable to life insurance.
 - (v) Insurance is a co-operative device.
 - (vi) Shifting of risk is one of the methods for handling risk.
 - (vii) Micro finance is financial service of large quantity provided by financial institution to the poor.
 - (viii) IDBI was established in the year 1964.
 - (ix) Obtaining credit card is easier than obtaining debit card.
 - (x) Unit Trust of India is first mutual fund started in India in 1964.
2. (a) Define Banking. Explain the need of banks. 8
- (b) Explain in brief main functions of banks. 7
- OR**
- (c) Explain the reasons for regulation of banks. 8
- (d) Distinguish between Public Sector and Private Sector Banks. 7
3. (a) What are the privileges enjoyed by the Current Account Holder ? 8
- (b) Define Financial Inclusion. Explain the scope of Financial Inclusion. 7
- OR**
- (c) What is licensing of banking company ? Explain the provision in the Act for obtaining a license to start a bank. 8
- (d) Explain the role and functions of Reserve Bank of India. 7
4. (a) What is Risk ? Discuss the various methods of handling Risk. 8
- (b) Discuss the classification of Life Insurance Policy. 7
- OR**
- (c) Explain in brief basic Principles of Insurance. 8
- (d) Discuss in brief the various Social Security Insurance Schemes. 7
5. (a) Explain the claim settlement procedure under Fire Insurance Policy. 8
- (b) Define Actuary. Explain the role of Actuaries in insurance. 7
- OR**
- (c) Write short notes on following (any three) :- 15
- (i) Debit cards
 - (ii) Power of IRDA
 - (iii) Marine Insurance
 - (iv) Inspection of banking company
 - (v) E-banking.