

**GUJARAT TECHNOLOGICAL UNIVERSITY****M.B.A -IV<sup>th</sup> SEMESTER-EXAMINATION – MAY- 2012****Subject code: 849905****Date: 22/05/2012****Subject Name: Banking and Insurance-II****Time: 10:30 am – 01:30 pm****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

**Q.1 (a)** “The ICICI Bank provides home banking facilities to Zyduz Cadila ltd but individual customer have to stand in a queue” Discuss this statement with respect to corporate banking and retail banking. **07**

**(b)** Mr.Vansh Rathod had one bike of Rs-60000/-.He insured that bike of Rs-20000/- with Tata Aig and of Rs-40000/- with Icici Lombard. The scooter is partially damaged on account of insured perils. The loss amount is Rs-30000/-.Calculate the claim liabilities of both insurance companies. **07**

**Q.2 (a)** The Bank of baroda recently started the sales of various financial products like LI,GI,MF and PMS. How third party products increase the bank’s revenue position? **07**

**(b)** Define the term Letter of Credit. What are the types of LOC? Draw the process for issuance of LOC. **07**

**OR**

**(b)** Mr.Yash wants to buy a life insurance. He presents the following information to sales manager of max new York life insurance. Age- 30 years, Married and having one kid. Retirement age 65 years. After collecting this information, the sales manager provide following two insurance plans. **07**

Plan	Age	S.A.	Tenure	Premium
Term	30	100000	35	4000/-
Endowment	30	100000	35	26500/-

If you are the Financial Consultant what plan will you suggest out of above table? why?

**Q.3 (a)** Define the SARFAISI Act. What are the main objectives of this act? **07**

**(b)** “During the present reality boom it is very difficult to buy a home for middle class family but a home loan make it possible to buy their dream home. But continuous rise in repo rate through credit policy may create a problem for the middle class family” Discuss this statement with connection to Real estate and Banking business. **07**

**OR**

**Q.3 (a)** “You have opened a saving account with SBI at ahmedabad branch but you can do any banking transactions from anywhere in India”. Elaborate this statement with respect to importance of IT in banking sector. **07**

**(b)** What do you mean by life insurance? Discuss any five insurance plans of any one life insurance company of your choice. **07**

- Q.4 (a)** What do you mean by Micro Insurance? Elaborate the various models of micro insurance. **07**
- (b)** Subprime effects are the main cause for the lock out of various US banks. Discuss this sentence with respect to treasury management **07**
- OR**
- Q.4 (a)** What are the roles of IRDA in Insurance sector and roles of RBI in Banking sector? **07**
- (b)** What do you mean by General Insurance? List down the characteristics of Mediclaim, Vehicle insurance and Fire insurance. **07**
- Q.5 (a)** Define the term Reinsurance. Why there is a need of reinsurance? Differentiate the Double insurance and reinsurance. **07**
- (b)** Explain the various types of risks and also highlight the risk management process in insurance and banks. **07**
- OR**
- Q.5 (a)** “The insurance industry has to take the initiative in heightening trust, training all its agents to act ethically and honestly with customer” Discuss the role of Corporate governance. **07**
- (b)** Give the importance of Operational risk management in the banking sector. **07**

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