

**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, GL, 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. **07**  
Age- 30 years, Married and having one kid. Retirement age 65 years. After collecting this information, the sales manager provide following two insurance plans.

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**

\*\*\*\*\*