

**Exam. Code : 108504**

**Subject Code : 2856**

**B.Com. 4<sup>th</sup> Semester**

**PRINCIPLES AND PRACTICES OF BANKING AND  
INSURANCE**

**Paper-BCG-405**

Time Allowed—3 Hours]

[Maximum Marks—50

**SECTION-A**

(Attempt any ten questions)

**Note :—** Attempt any ten questions carrying 1 mark each.  
Answer to each question should not exceed five  
lines.

1. Short answer type questions :

- (a) Why banks are using the concept of merger ?
- (b) Capital adequacy ratio.
- (c) Write short note on revised NPA norms.
- (d) State the Cheque Truncation system.
- (e) What is the lender of last resort ?
- (f) Explain the principle of subrogation.

- (g) What do you mean by endowment policy ?
- (h) Discuss the features of fire insurance.
- (i) What are the risks involved in E-banking or internet banking ?
- (j) Define merchant banking.
- (k) Difference between money market and capital market.
- (l) Explain the duties of IRDA. 10×1=10

### SECTION-B

**Note :—** Attempt any **two** questions. Each question carries **10** marks.

- 2. Explain the features of Indian banking system. What are the functions of RBI ?
- 3. What are the objectives of credit control ? Discuss the bank rate policy as an instrument of credit control.
- 4. Explain the rights and obligations of commercial banks.
- 5. What is asset-liability management ? Explain the objectives and scope of asset-liability management.

2×10=20

## SECTION-C

**Note** :— Attempt any **two** questions. Each question carries **10** marks.

6. What are the provisions of IRDA act for licensing of agents and insurance intermediaries ?
7. What are the features of contract of insurance ? Discuss various types of contract of insurance.
8. Critically evaluate the growth of non life insurance after nationalization in India.
9. Explain the various principles of insurance.  $2 \times 10 = 20$