

January – February 2022
Master of Business Administration (MBA) Examination

(Full Time) (New) Third Semester
FT-305F : BANK AND INSURANCE MANAGEMENT

Time 3 Hours]

[Max. Marks 80

Note : Attempt any four questions from Section A. Each question carries 15 marks. Section B is compulsory and carries 20 marks.

Section A

1. Discuss in brief :
 - (a) Importance of insurance to an individual.
 - (b) Socio-Economic significance of insurance.
2. Discuss in detail the principles of insurance and explain the methods of reinsurance.
3. Examine the structure of the banking system in India with references to BASEL Norms and explain the impact of new technological up-gradations on Indian banking system.
4. Define Asset Liability Management. Define the reason from shifting from traditional ALM to modern ALM.
5. How digital banking is useful to Banks ? How do banks detect fraud ?
6. "The incorporation of IRDA is responsible for change in the insurance industry." Comment and discuss the provision regarding duties, objectives and function of 'Authority' with special reference to make regulations.

Section B

Case 1.

A made a proposal to an insurance company for an insurance policy on his life for Rs. 1,00,000. He truthfully answered all questions on the proposal form and disclosed all relevant facts. A few days later but before the proposal was accepted, A was taken ill with pneumonia. The proposal was accepted by the company the next day. Two days after A died of pneumonia and the company learnt for the first time of his illness. Is the insurance company liable to make the payment ?

Case 2.

A's goods in warehouse were insured against fire with B insurance company. The goods were burnt and A recovered the full value of Rs. 10,00,000 from the insurance company. Subsequently, A also sued the warehouse keeper and recovered a sum of Rs. 10,00,000 from him. A retains this money ? (Which principle is apply) • <https://www.davvonline.com>

Case 3.

Amol has a building worth of Rs. 1,00,000 insured with B for Rs. 60,000 and with C for Rs. 70,000. Is it a case of double insurance ? Discuss. 40

Case 4.

A steamer was insured for Rs. 11,00,000 though its declared value was Rs. 13,00,000. In a collision with a ship, the steamer was completely lost. The insurer paid a sum of Rs. 1,00,000, the amount to the owner of the steamer. Later on, the insurer recovered a sum of Rs. 21,00,000 from the owner of the ship responsible for collision. Can the insurer retain the sum received ? Explain. 20