

**K J SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH**  
**VIDYA NAGARI, VIDYA VIHAR, MUMBAI – 400 077.**  
**PGDM (Finance) Trimester V Batch: 2017-19**  
**Banking and Insurance**  
(End Term Examination)

**Max. Marks: 50**

**Duration: 3 Hrs.**

**Instructions**

January 14, 2019

- (1) Question **No.1 is compulsory** which is of 14 marks.
- (2) Attempt any **THREE** from the rest, each of 12 marks.
- (3) Answer each new question on a fresh page.
- (4) Write all sub question of a main question together.
- (5) Don't write extra answers. Only first four will be assessed.
- (6) If these instructions are ignored, appropriate marks will be reduced.

- Q.1 (a) Explain the methods of short term and long term liquidity risk management in banks.  
(b) Explain the principle of Indemnity and Utmost good faith in an insurance contract.
- Q.2 (a) What are the aims and objectives of insisting SLR maintenance by RBI in Indian banking sector.  
(b) Explain Loan Pricing process in Indian banks.
- Q.3 (a) Explain the 'Lead Bank Scheme' in Indian banking sector.  
(b) How CAR is measured in Indian banking sector?
- Q.4 (a) Explain the 'Specific' and 'Average Clause' policy in general insurance.  
(b) Explain concept of 'Surrender of policy' and 'Paid up policy' in life Insurance.
- Q.5 Write short notes on any **TWO** of the following  
(a) IBC  
(b) Basel III  
(c) Funding Gap
- Q.6 Give your clear and specific views on the practice of farm loan waiver going on in India and its impact on  
(a) Banks  
(b) Farmers  
(c) Credit discipline culture in India

End of the paper