Roll No. ☐☐☐☐☐☐☐☐☐☐☐☐ **Total No. of Pages : 02**

Total No. of Questions : 15

MBA (2012 & Onwards) (Sem.–4)

BANKING AND INSURANCE OPERATIONS

Subject Code : MBA-927

Paper ID : [A2532]

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTIONS TO CANDIDATES :

1. **SECTION-A contains SIX questions carrying FIVE marks each and students have to attempt any FOUR questions.**
2. **SECTIONS-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student have to attempt any ONE question from each Subsection.**
3. **SECTION-C is COMPULSORY and consist of ONE Case Study carrying EIGHT marks.**

SECTION-A

1. What is a ‘letter of credit’?
2. What is ‘payment in due course’ as defined in Negotiable Instrument Act, 1881?
3. Write a note on money laundering.
4. Explain the concept of ‘Bancassurance’.
5. Give main features of Insurance Act, 1938.
6. State the provisions of Banking Regulation Act regarding opening of new branches.

SECTION-B

UNIT -I

7. Define the term ‘banker’ and ‘customer’. Bring out the relationship between banker and customer.
8. Give a brief account of different types of institutions, all of which together constitute the Indian banking system.

UNIT-II

9. What are different types of account which can be opened in a bank? What procedure does a banker follow in opening a new account?

10. Write notes on :

    (a) Real time gross settlement system (RTGS)

    (b) Credit card and debit cards

UNIT-III

11. What are the secured and unsecured advances of a bank? What precautions should a banker take while making an unsecured advance?

12. What do you understand by prudential regulations? When an asset does becomes non-performing asset?

UNIT-IV

13. Describe the main kinds of insurance and examine briefly the nature of risk protected by each kind of insurance.

14. What is the role and responsibilities of IRDA in regulating the insurance sector in India?

SECTION-C

15. Case Study :

Your customer, Smt. Patel, ask you to stop payment of the cheque for Rs. 250 which she has issued to a salesman at the door as deposit for a washing machine which he promised to deliver the next day. The machine has not arrived and the firm, whom the salesman claimed to represent, has no knowledge of him, has received no order through him and states that he has no authority to act on its behalf. The cheque which is crossed 'not negotiable' is paid in at your branch by another customer of yours, a local cloth merchant, who had paid cash against it to the salesman.

Questions :

1. Can the cloth merchant set up a valid claim to recover the value of the cheque? What is his position vis-à-vis Smt. Patel?

2. Had you paid the cheque, after the notice of a stop order from Smt. Patel what would be your position vis-à-vis Smt. Patel? Give reasons stating what rights a bank may have against a customer whose cheque it pays in spite of specific instructions not to pay.