

Jagan Institute of Management Studies
End-Term Examination, December, 2016 – January, 2017
Trimester V – PGDM 2015-17

Management of Banking & Insurance Services
ET_PG_MBIS_0201

Time: 3 Hrs.

M. Marks: 70

INSTRUCTIONS: There are two SECTIONS in this Question Paper. The Sections are to be attempted in separate Answer sheet.

Section A

Attempt any FOUR questions including Q1 which is compulsory.

- Q 1** What is the present stage of banking, what are the expectations of people & government detailing what is the way forward. **15**
- Q 2** What are the measures banks may adopt to reduce NPAs. **10**
- Q 3** Please write a note on the differences between endorsement & crossings, general crossing & special crossing detailing liability of the bank u/s 126 of NI Act and the implications of sec 138 of NI ACT. **10**
- Q 4** What are the steps in sanction of a secured/ unsecured personal loan? **10**
- Q 5** What are the problems & future direction of technological up gradation in the Indian banking Industry **10**

Section B

Attempt any TWO questions including Q9 which is compulsory.

- Q 6** Distinguish between the Principle of ‘Subrogation’, Principle of ‘Contribution’ and ‘Principle of Indemnity. Explain with suitable examples. **10**
- Q 7** Explain about the various ways to manage Risk. In which category of Risk Management does Insurance mechanism falls? **10**
- Q 8** Explain the various essentials and characteristics of a legal business contract. Explain as to how these characteristics apply to the insurance contracts? **10**

Q 9 a) Enumerate the role of 'Insurance Ombudsman' in India. **5**

b) Mr. V. K. Sharma has a well-built house that costs Rs. 20 lakhs. Mr. Sharma insured the house with a fire insurance policy against the fire risks. There was a house just adjacent to Mr. Sharma's house, which was very old. It was destroyed by fire and the municipal authorities gave instructions that the dilapidated and burnt walls, which were in dangerous condition, should be demolished, so that it does not cause damage to others.

In the course of demolition, the burnt structure of the adjacent house fell and damaged Mr. Sharma's house partially. Mr. Sharma claimed for the compensation with his insurance company against his fire policy.

What is your opinion about Mr. Sharma's claim for the damage? Is the insurance company liable for damages? Will he get the full claim of Rs. 20 lakhs? Explain with reasons. **10**
