

SUBJECT- BANKING AND INSURANCE

COURSE- BCOM(P)

SEMESTER- VI

ASSIGNMENT

Max. Marks- 30

Question 1. a) What major obstacles are experienced in Financing Micro, Small and Medium Enterprises (MSMEs)? Also mention initiatives taken by Government to improve the credit flow to MSMEs. (7.5)

b) 'Endorsement is signing a negotiable instrument for the purpose of negotiation'. Clarify it. Also mention the types of endorsement of a negotiable instrument. (7.5)

Question 2. Write Short notes on any two: (5*2)

- a. Types of relations between banks and customers
- b. Securitization of Standard Assets
- c. Disadvantage of application of technology in financial services

Question 3. Selling of insurance products through banks become recent trend in financial market, explain the concept and its features also discuss its merits and demerits in our country. (10)

TEST

Max. Marks- 20

Duration- 1 hr

ATTEMPT ANY TWO QUESTION

Q1. Write short notes on any two- 5*2

- a) Principles of sound lending
- b) Guidelines laid down by RBI on Anti-Money Laundering
- c) Term Deposit Vs. Demand Deposit
- d) Balance Sheet of a Bank

Q2. What do you understand by 'Securitization of Standard Assets'? Mention the process and feature of securitization of standard assets. 10

Q3. Define 'Bank'. 'The key business of banks is to obtain deposits from customers and lend the money to public'. Explain the statement in context of its functions. 10

Q4. Explain Narasimham Committee (1991) Report on banking and financial systems. 10

Q5. 'Endorsement is signing a negotiable instrument for the purpose of negotiation'. Clarify it. Also mention the types of endorsement of a negotiable instrument. 10

MCQ

2. Which bank is known as banker's bank?
 - PNB
 - **RBI**
 - SBI
 - NABARD
3. Banking and Regulation Act came into existence in _____.
 - 1935
 - **1949**
 - 1948
 - 1950
4. The percentage of money, which a bank has to keep with RBI in the form of cash is known as _____.
 - **Cash Reserve Ratio**
 - Statutory Reserve Ratio
 - Statutory Cash Reserve Ratio
 - None of the above
5. Delivery of financial services at affordable costs to the disadvantaged Low-income segments of the society is known as _____.
 - Credit Creation
 - Financial Exclusion
 - **Financial Inclusion**
 - Consumer Credit
6. Which among the following is not the Primary Function of bank?
 - Clearance of Cheque
 - Creation of Credit
 - Remittance of Funds
 - **Agency Services**
7. Implementation of which reform led Banks to themselves set the Interest rates for the customer?
 - Asset Classification
 - Redefining Priority Sector
 - **Deregulation**
 - None of the above
8. Why did the banking sector feel the need to recommend and implement reforms?
 - Full control over banks maintained by RBI & Government of India
 - No mandatory policy for banks to disclose profit and losses
 - No capital adequacy norms
 - **All of the above**
9. Which type of Deposit Account provides overdraft facility?
 - **Current Account**
 - Saving Account
 - Both A & B

- None of the above
10. Which type of account provide 'Sweep-in' and 'Sweep-out' facility?
- Current Account
 - Saving Account
 - Deposit at Call Account
 - **Current Deposit Premium Scheme**
11. The committee on financial sector norms constituted in India is _____.
- Nariman Committee
 - **Narasimham Committee**
 - Gadgil Committee
 - None of the above