



9. Increase in the probability of an accident when an individual is insured than he or she is not is called:

- a) Coinsurance                      b) Moral hazard  
c) Risk reduction                      d) None of these

10. Which was the first insurance firm established in India?

- a) Bombay Assurance Company      b) Oriental Life Insurance  
c) Life Insurance Corporation      d) Triton Insurance Company

11. MCLR was introduced in the year:

- a) 2000                                      b) 2016  
c) 2010                                      d) 2017

12. Who regulates the capital market in India?

- a) RBI                                        b) SEBI  
c) IRDA                                      d) NABARD

(12 x ½ = 6 marks)

**Section B**

(Very Short Answer Questions)

Answer **any ten** questions not exceeding in one paragraph

13. What is moral suasion?

14. What is RTGS?

15. Explain different types of NPAs.

16. Distinguish between Brown Label ATMs and White Label ATMs.

17. What do you mean by risk management?

18. Define Cheque Truncation System..

19. Define Marginal Standing Facility.

20. What is reinsurance?

21. Explain burglary insurance.

22. What is consortium banking?

23. What is surrender value?

24. Define annuities.

(10 x 2 = 20 marks)

**Section C**

(Short Essay Questions)

Answer **any six** questions not exceeding in one page

25. Write a short note on social banking.

26. Distinguish between unit banking and branch banking.

27. Write a short note on Banking Ombudsman Scheme.

28. What are the major principles of insurance?

29. Compare life insurance and general insurance policies.

30. What is motor insurance? Explain different types of motor insurance.

31. Briefly explain the objectives and functions of IRDA.

32. Write a short note on sub markets of money market.

(6 x 5 = 30 marks)

**Section D**

(Essay Questions)

Answer any **two** questions not exceeding three pages

33. Critically examine banking sector reforms in India.

34. Explain primary and secondary functions of commercial banks.

35. "Effective risk management is essential to optimize the functions of insurance companies". Comment

36. Elucidate the role of insurance sector in the socio- economic development of the country.

(2 x 12 = 24 marks)

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