

Jagan Institute of Management Studies
End-Term Examination, September-October, 2017
Trimester IV – PGDM (IB) 2016-18

Management of Banking & Insurance Services
ET_IB_MBIS_2409

Time: 3 Hrs.

M. Marks: 70

INSTRUCTIONS: There are TWO Sections in this question paper. Attempt any THREE questions from Section A and any THREE questions from Section B including Q1 & Q8 which are compulsory. Attempt both the section in separate answer sheet.

Section A

- Q 1** Explain the meaning of following with respect to functions performed by Reserve Bank of India.
- i) Banker to the Banks
 - ii) Lender of Last Resort
 - iii) Payment System initiatives
 - iv) Banker to Government **15**
- Q 2** Explain the difference between types of “Charge”. Please give example for each of the charge. **10**
- Q 3** Differentiate between types of ATMS. Clearly list down basic difference between White Label ATM & Brown Label ATM **10**
- Q 4** What is a Home Loan? What are the different categories of loans under “Home Loan” Talk about the various types of fees being charged in case of Home Loans? Explain “Moratorium Period”. **10**

Section B

- Q 5 a)** What is the importance of Health Insurance & describe impediments in Health Insurance?
- b)** Describe Basic four Characteristics of Insurance? **10**
- ET_IB_MBIS_2409* Describe Structure of Mutual Funds?
- b)** Differentiate between Mutual Funds over your own stock portfolio? **10**
- Q 7** Write in detail on any **TWO** Fundamental principles of insurance?

- a) Principle of Indemnity.
- b) Principle of Causa Proxima
- c) Principle of Utmost Good Faith.
- d) Principle of Insurable Interest

10

Q 8 **Read the case and answer the question given at the end.**

On March 2000, Mr M applied to the firm, through a financial adviser, for Health insurance to protect his family. He rang the firm on 9 May, as he still had not heard whether his application had been successful. He was told there had been a delay as the firm was still waiting for his medical records from his General practitioner.

The firm finally wrote to Mr M's adviser on 23 May, saying it had accepted the application and enclosing a letter of acceptance. This letter reminded Mr M that he had a duty to notify the firm if there had been any change in his details since he applied for the policy.

The policy took effect on 12 June 2000. Some nine months later, Mr M contacted the firm to say that he had been diagnosed with prostate cancer and that he wished to claim under the policy for Rs 300000.

When the firm obtained a report from Mr M's GP, in connection with the claim, it saw that Mr M had consulted his doctor on 3 May 2000 with symptoms for which he was referred to a cancer specialist. The firm cancelled Mr M's policy. It said that when he received the acceptance letter, he should have disclosed the fact that his GP had referred him to a specialist.

Mr M said that he had never received an acceptance letter. He also argued that, since the firm had not received his GP's notes until after the consultation had taken place, he had assumed it was aware of the situation.

Do you think whether the claim of Mr M claim be payable or not & why?

15
