

FYBBI sem II Reg Exam April-2023

SEM - II

F.Y.B.B.I.

Subject :- Principles and Practices of Banking and Insurance

Maximum Marks : 75

Duration : 2 Hrs. & 30 Minutes



Note :-

1. All questions are compulsory.
2. Figures to the right indicate full marks.

Q.1 A. Fill in the blanks (Any 8)

(8 marks)

1. Money deposited in a bank remains \_\_\_\_\_  
(safe, not safe, risky)
2. Banks are commercial \_\_\_\_\_  
(school, institutions, college)
3. Debit card is also known as \_\_\_\_\_ card.  
(discount, overdraft, cash)
4. Bank customers are enjoying \_\_\_\_\_  
(anywhere banking, nowhere banking, difficult banking,)
5. \_\_\_\_\_ provides license for banking business.  
(SBI, RBI, UBI)
6. Minimum period of fixed deposit is \_\_\_\_\_ days.  
(90, 365, 7)
7. \_\_\_\_\_ is the example of dynamic risks.  
(earthquake, security, safety)
8. \_\_\_\_\_ is the example of static risks.  
(flood, security, earthquake)
9. Risk means possibility of loss or \_\_\_\_\_  
(profit, benefits, damage)
10. Marine policy is also called as \_\_\_\_\_ policy.  
(sea, sky, earth)

B. State whether the following statements are True or False :- (any 7)

(7 marks)

1. A customer is a person who has an account with the bank.
2. A current account is opened by businessman.
3. Bridge finance is secured against mortgage of fixed assets.
4. PIN means personal identification number.
5. Smart cards are new generation card.
6. Dynamic risks normally benefits the individuals.
7. A firm with debt financing has no financial risk.
8. Life insurance is a contract of Indemnity.
9. General insurance was nationalized in 2022.
10. In 1993, R.N. Malhotra committee was formed by RBI.



Q.2 A. Define banking & explain any four functions of banking. (8 marks)

B. Explain any four types of banks. (7 marks)

OR

C. Define banking & explain the scope of banking (8 marks)

D. How is commercial bank classified (7 marks)

Q.3 A. Explain various types of accounts. (8 marks)

B. What is financial inclusion ? And explain the importance of Financial Inclusion. (7 marks)

OR

C. Explain the role of RBI (8 marks)

D. Write note on Non Banking Finance Companies (7 marks)

Q.4 A. What do you mean by risk ? What is difference between risk and uncertainty. (8 marks)

B. Explain principals of insurance. (7 marks)

OR

C. Explain any four types of policy. (8 marks)

D. Explain features of risk management. (7 marks)

Q.5 A. Explain the objectives of LIC. (8 marks)

B. What is actuary and explain the role of it. (7 marks)

OR

C. Short note (Any 3) (15 marks)

- I. Credit cards
- II. ATM
- III. Exim Bank
- IV. Risk and Return relationship
- V. Proximate cause

