## Enrolment No.

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## GUJARAT TECHNOLOGICAL UNIVERSITY <br> MBA Semester -III Examination Dec. - 2011

Subject code: 839905
Date: 20/12/2011
Subject Name: Banking \& Insurance
Time: 10.30 am - 01.30 pm
Total Marks: 70
Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
Q. 1 (a) What is the meaning of life insurance? Explain different types of life insurance plan. 07
(b) Write a short note on: Corporate Governance
Q. 2 (a) Find the following probabilities that:
(i) A life aged 30 survives 10 yrs.
(ii) A life aged 30 dies within next 10 yrs.
(iii) A life aged 30 dies after 10 yrs.
( Mortality table:- $1_{40}=963206,1_{30}=980776$ )
(b) 4000 persons all age 50 yrs. are insured from Rs. 200000 for 1 yrs. If the rate of mortality $\left(\mathrm{q}_{50}\right)$ is 0.004 . Calculate the Net Single Premium of this term assurance.
(i) If the insurer earns no interest.
(ii) If insurer earns interest at $6 \%$.

OR
(b) Consider a group of 10000 persons all aged 35 seeking an amount of Rs. 100000 to
their families in case of death during the next 10 yrs.

| X | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 | 44 | 45 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| Lx | 10000 | 9972 | 9941 | 9907 | 9869 | 9827 | 9780 | 9728 | 9671 | 9608 | 9538 |
| Dx | 28 | 31 | 34 | 38 | 42 | 47 | 52 | 57 | 63 | 70 | 75 |

Calculate the Net Single Premium for their term assurance, if:
(i) The insurer earns interest @ $6 \%$ p.a.
(ii) The insurer earns no interest.
Q. 3 (a) Give the meaning of corporate banking? Explain different types of loans provided by the banks.
(b) Write a short note on : NRI services provided by banks

## OR

Q. 3 (a) Difference between Term Loan and Demand Loan.
(b) Write a short note on : Retail Banking
Q. 4 (a) Define risk management. Explain the process of risk management in detail. ..... 07
(b) Write a short note on : Operational Risk Management ..... 07
OR
Q. 4 (a) Explain different types of risks. ..... 07
(b) Difference between Reinsurance and Double insurance. ..... 07
Q. 5 (a) Explain in detail SARFAESI Act. ..... 07
(b) Write a short note on : Tele banking ..... 07

## OR

Q. 5 (a) What is the regulatory framework for banks and insurance? 07
(b) Write a short note on : Treasury spread management

