

**Code No: MB1336/R13**

**MBA III Semester Supplementary Examinations, Nov-2017**

**BANKING AND INSURANCE**

**Time: 3 Hours**

**Max. Marks: 60**

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*Answer Any FIVE Questions  
All Questions Carry Equal Marks  
Question No. 8 is Compulsory*

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1. a Explain the Role of Commercial Banks in Economic Development? 6M  
b Discuss the significance of CAMEL Approach in present Scenario? 6M
2. a Discuss the concept of Loan Pricing? And explain the cost-benefit loan pricing strategies of bankers? 6M  
b Critically examine the causes of increasing Non Performing Assets after demonstrations? 6M
3. a Examine the norms of Basel Accords I, II and III for regulation of Banks system in India? 6M  
b Discuss the various aspects or dimensions of Retail Banking? 6M
4. a Discuss the marketing channels of Insurance Companies in India? 6M  
b Explain the Role of IRDA for regulating private and foreign insurance companies? 6M
5. a Explain the differences of Life Insurance and General Insurances? 6M  
b What Provisions are necessary for Life Insurance Contract? 6M
6. a Explain the significance of Health Insurance for hazardous industry employees? 6M  
b Discuss the concept of Reinsurance system in India? 6M
7. a What is Core Banking? Explain the Function of Core Banking activities? 6M  
b Explain the different types of loans and their features in present scenario? 6M



8.

12M

Mrs W contacted her bank to complain that, over a three-month period, Rs.9,600 had been withdrawn from her account without her knowledge. The withdrawals had all been made from cash machines, using her debit card and PIN. She did not consider that she should be liable for the transactions and she thought that the bank should have done more to prevent them taking place.

According to Mrs W, her debit card had been taken from her by a Mr C, who had made the disputed withdrawals without her permission and had then refused to give the card back. She said she often suffered from periods of depression and that, during these periods, Mr C "*exercised control*" over her. She assumed that he must have obtained her PIN by watching her use the card.

**complaint not upheld**

We examined the audit trails for the cash withdrawals made from Mrs W's account during the period in question. These showed that all the withdrawals had been made with Mrs W's genuine card and associated PIN.

It was difficult, from what Mrs W was prepared to tell us, to get to the bottom of exactly how Mr C had obtained Mrs W's debit card in the first place - or why she had not reported this to the bank right away. We also noted that the disputed transactions were interspersed with *undisputed* transactions, made by Mrs W herself. This did not seem to tie in with her statement that Mr C had refused to give her back the card.

Mrs W had eventually reported her card to the bank as "lost or stolen", but not until some time after all the disputed withdrawals had been made. Mr C had told the bank that Mrs W had allowed him to use the card and had given him the PIN. But because Mr C was not a party to the complaint, we had no power to question him about that.

After looking carefully at all the evidence, we accepted that Mrs W had not actually made the disputed withdrawals herself.

However, we were unable to conclude that she had not in any way authorised them. We could not fairly say that the bank should be liable for the transactions, and we did not uphold the complaint. However, we reminded Mrs W that our consideration of her complaint did not affect her right to take the matter to court - where witnesses such as Mr C could be compelled to give evidence.

**Questions:-**

1. Explain the Significance rules of Debit Card Rules as per case study?
2. What is role of authorized person in this case?

