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Total No. of Printed Pages: 1

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**M.Com (Semester – 3rd)**  
**FUND MANAGEMENT IN BANKS & INSURANCE COMPANIES**  
**Subject Code: MCOM1361**  
**Paper ID: [210120]**

**Time: 03 Hours**

**Maximum Marks: 60**

**Instruction for candidates:**

1. Section A is compulsory. It carries 16 marks. It consists of 4 questions of 4 marks each.
2. Section B consist of 4 questions of 8 marks each. The student has to attempt any 3 questions out of it.
3. Section C consist of 3 questions of 10 marks each. The student has to attempt any 2 questions.

**Section – A**

**(4 marks each)**

- Q1. Briefly explain how management of capital funds in commercial banks is done in India
- Q2. What is the nature and function of legal reserves?
- Q3. Briefly explain the nature of priority sector lending policies of commercial banks in India
- Q4. Briefly explain how funds are managed in insurance companies

**Section – B**

**(8 marks each)**

- Q5. How estimation and management of secondary reserves is done and what are the factors influencing secondary reserves?
- Q6. Describe in detail how loan application is evaluated?
- Q7. Describe in detail concept of capital adequacy standards
- Q8. Briefly describe the requirements of insurance companies towards deposits with RBI

**Section – C**

**(10 marks each)**

- Q9. Explain in detail various theories of liquidity management
- Q10. How credit analysis is done? Also explain the concept of credit information and credit decision with respect to bank loans in India
- Q11. How assets are invested in insurance companies? Also briefly explain various prohibitions relating to investment of assets by the insurance companies in India.