



(B) Fill in the blanks :

- 6 \_\_\_\_\_ means the delivery of insurance products through banking channels.
- 7 \_\_\_\_\_ is a bank located outside the country of residence of the depositor.
- 8 EMI stands for \_\_\_\_\_.
- 9 Freight policy is taken by \_\_\_\_\_ Companies.
- 10 Insurance is a contract of \_\_\_\_\_.

(10 × 1 = 10 marks)

**Part B (Short Answer Questions)**

*Answer any **eight** questions.  
Each question carries 2 marks.*

- 11 Define Banking.
- 12 What is meant by Land Development Banks ?
- 13 Make a short note on IFCI.
- 14 What is Cash credit ?
- 15 What is Tele-banking ?
- 16 What do you mean by Social Banking ?
- 17 What is accommodation Bills ?
- 18 What do you meant by the term Beneficiary in Insurance ?
- 19 What is Marine Insurance ?
- 20 Distinguish joint Life Policy from Endowment Policy.

(8 × 2 = 16 marks)

**Part C (Short Essay Questions)**

*Answer any **six** questions.  
Each question carries 4 marks.*

- 21 Distinction between Bills of exchange and Promissory Note.
- 22 What is Electronic Clearing Service ? What are its advantages ?
- 23 Write a note on National Electronic Fund Transfer.

- 24 What are the functions of Core Banking ?
- 25 Explain the types of General Insurance.
- 26 What is Subrogation principle ?
- 27 Explain the requirements to constitute a person as a Customer.
- 28 What are the functions of IRDA ?

(6 × 4 = 24 marks)

**Part D (Essay Questions)**

*Answer any two questions.*

*Each question carries 15 marks.*

- 29 Discuss the role of a Commercial bank in a developing country.
- 30 Describe different kinds of Negotiable Instruments.
- 31 Write a notes on Life Insurance Corporation of India (LIC).

(2 × 15 = 30 marks)

**D 102711-A**

(Pages : 4)

Name.....

Reg. No.....

**FOURTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION  
APRIL 2024**

B.Com.

A 14—BANKING AND INSURANCE

(2018 Admission only)

(Multiple Choice Questions for SDE Candidates)

**Time : 15 Minutes****Total No. of Questions : 20****Maximum : 20 Marks****INSTRUCTIONS TO THE CANDIDATE**

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

## A 14—BANKING AND INSURANCE

(Multiple Choice Questions for SDE Candidates)

1. Which bank plays an important role in promoting foreign trade ?
  - (A) Industrial bank.
  - (B) Agricultural banks.
  - (C) Indigenous banks.
  - (D) Exchange banks.
2. The number of public sector banks in India :
  - (A) 24.
  - (B) 26.
  - (C) 27.
  - (D) 29.
3. The maximum period of Money at call is :
  - (A) 90 days.
  - (B) 180 days.
  - (C) 360 days.
  - (D) 7 days.
4. Regional Rural Bank Scheme were started in the year \_\_\_\_\_.
  - (A) 1946.
  - (B) 1969.
  - (C) 1975.
  - (D) 1949.
5. \_\_\_\_\_ is called the purchase and sale of Government securities in the open market by central bank.
  - (A) Open market operation.
  - (B) Clearing.
  - (C) Securitization.
  - (D) None of these.
6. \_\_\_\_\_ is a form of bank governance that occurs when a small group of people control three or more banks that are independently incorporated.
  - (A) Unit banking.
  - (B) Branch banking.
  - (C) Group banking.
  - (D) Chain banking.
7. \_\_\_\_\_ means allowing the borrower to overdraw his current balance.
  - (A) Cash credit.
  - (B) Loans.
  - (C) Overdraft.
  - (D) Consumer credit.

8. Commercial banks to expand deposit through expanding their loans and advances is known as :
- (A) Credit creation. (B) Trade discount.  
(C) Deposit. (D) Bank advances.
9. RBI introduced a bill Rediscounting Scheme in ?
- (A) 1997. (B) 1956.  
(C) 1970. (D) 1984.
10. DFHI stands for \_\_\_\_\_.
- (A) Discount and Finance Housing investment Ltd.  
(B) Direct Finance House of India Ltd.  
(C) Discount and Finance House of India Ltd.  
(D) District Finance House of India Ltd.
11. \_\_\_\_\_ is a quasi judicial authority appointed by the RBI to redress customer complaints against certain deficiency in banking services.
- (A) Banking Ombudsman. (B) Consumer redressel.  
(C) Adjudicating authority. (D) None of these.
12. A order issued by a court asking the banker to stop payment out of a particular account is called \_\_\_\_\_.
- (A) Specific order. (B) General order.  
(C) Lien order. (D) Garnishee order.
13. The right of a creditor to retain possession of those properties in respect of which debt is due is called \_\_\_\_\_.
- (A) General Lien. (B) Particular lien.  
(C) Garnishee order. (D) None of these.
14. The Banking Ombudsman Scheme was introduced by \_\_\_\_\_.
- (A) RRB. (B) SBI.  
(C) RBI. (D) None of these.

Turn over

15. The validity period of a cheque is \_\_\_\_\_.
- (A) 5 months. (B) 6 months.  
(C) 3 months. (D) None of these.
16. When no documents relating to the goods represented by the bill are attached to it, it is called \_\_\_\_\_.
- (A) Fictitious bill. (B) Documentary bill.  
(C) Genuine trade bill. (D) Clean bill.
17. \_\_\_\_\_ is a small book issued by a banker to his customer to record all dealings between them.
- (A) Pay-in-slip. (B) Pass book.  
(C) Cheque book. (D) None of these.
18. \_\_\_\_\_ is an electronic version of paper cheque
- (A) E-cheque. (B) Order cheque.  
(C) MICR Cheque. (D) None of these.
19. EFT was introduced by \_\_\_\_\_.
- (A) SBI. (B) RBI.  
(C) ICICI. (D) None of these.
20. Insurance agreement is \_\_\_\_\_.
- (A) Written. (B) Written or Oral.  
(C) Oral. (D) None of these.

C 40881

(Pages : 3)

Name.....

Reg. No.....

**FOURTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION  
APRIL 2023**

B.Com.

A 14—BANKING AND INSURANCE

(2017—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A***Answer all questions.**Each questions carries 1 marks.*

(A) Choose the correct Answer :

1 \_\_\_\_\_ is an example of time instrument.

(a) Bill of Exchange.

(b) Credit cards.

(c) Smartcards.

(d) Deposits.

2 \_\_\_\_\_ is a measure of physical extent of the risk.

(a) Exposure.

(b) Cover note.

(c) Indemnity.

(d) Peril.

3 A \_\_\_\_\_ policy is issued to cover all the fixed and current assets of an enterprise by one insurance.

(a) Blanket.

(b) Declaration.

(c) Comprehensive.

(d) Consequential Loss.

4 Life Insurance Act was passed in the year \_\_\_\_\_.

(a) 1956.

(b) 1938.

(c) 1972.

(d) 1999.

5 \_\_\_\_\_ are negotiable instruments written in an oriental language.

(a) Bill of Exchange.

(b) Hundis.

(c) E-cheque.

(d) Draft.

**Turn over**

(B) Fill in the blanks :

- 6 \_\_\_\_\_ is used by institutions for making bulk payment towards distribution of dividend, interest, salary, pension, etc.
- 7 \_\_\_\_\_ is a nationwide payment system facilitating one-to-one funds transfer.
- 8 \_\_\_\_\_ is used for covering fluctuating stocks of goods held in different lots for one premium.
- 9 \_\_\_\_\_ is the formal notarial certificate attesting the dishonour of the bill.
- 10 \_\_\_\_\_ is normally an insurance policy holder

(10 × 1 = 10 marks)

**Part B (Short Answer Questions)**

*Answer any **eight** questions.*

*Each questions carries 2 marks.*

- 11 What do you meant by Foreign Banks ?
- 12 Write a short note on IDBI.
- 13 What is Minimum Reserve System ?
- 14 Distinction between Credit Card and Debit Card.
- 15 What is Cheques Truncation Payment System ?
- 16 What is Holder in due course ?
- 17 What is Peril ?
- 18 What is Double Insurance ?
- 19 What is Hull Insurance ?
- 20 What is a Virtual Bank ?

(8 × 2 = 16 marks)

**Part C (Short Essay Questions)**

*Answer any **six** questions.*

*Each questions carries 4 marks.*

- 21 Explain the precautions in opening and dealing with a joint account.
- 22 Explain the functions of a Commercial Bank.

- 23 What is Average Policy in Fire Insurance ?
- 24 What are the advantages of ATM ?
- 25 Distinction between Cheques and Bills of Exchange.
- 26 Explain the characteristics of Negotiable Instruments.
- 27 When Banker must Refuse Payment ?
- 28 Role and Functions of GIC.

(6 × 4 = 24 marks)

**Part D (Essay Questions)**

*Answer any two questions.*

*Each questions carries 15 marks.*

- 29 Explain the principles of Insurance.
- 30 Explain the Credit Control methods of RBI.
- 31 Write a note on the following :
- |           |            |
|-----------|------------|
| (a) EFT.  | (b) NEFT.  |
| (c) RTGS. | (d) SWIFT. |
| (e) ECS.  |            |

(2 × 15 = 30 marks)

C 21196

(Pages : 3)

Name.....

Reg. No.....

**FOURTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION, APRIL 2022**

B.Com.

A14—BANKING AND INSURANCE

(2017—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A***Answer all questions.**Each question carries 1 mark.*

I. Choose the correct answer :

1 Nationalization of banks happened in :

- |          |          |
|----------|----------|
| a) 1949. | b) 1969. |
| c) 1959. | d) 1979. |

2 The drawee of the cheque is always the :

- |              |                      |
|--------------|----------------------|
| a) Customer. | b) Account holder.   |
| c) Bank.     | d) All of the above. |

3 Garnishee order is to restrain the banker from :

- |                         |                                 |
|-------------------------|---------------------------------|
| a) Receiving deposit.   | b) Accepting loan applications. |
| c) Crossing of cheques. | d) Making payments.             |

4 EFT in banking means :

- |                                      |
|--------------------------------------|
| a) Economic Fund transfer.           |
| b) Electronic fund transfer.         |
| c) Electronic financial transaction. |
| d) Entry of fund transfer.           |

5 In insurance, CAUSA PROXIMA means :

- |                           |                           |
|---------------------------|---------------------------|
| a) In good faith.         | b) Prevent cause of loss. |
| c) Closely related peril. | d) Mitigation of loss.    |

**Turn over**

## II. Fill in the blanks :

- 6 Negotiable instruments Act was passed in the year \_\_\_\_\_.
- 7 SBI was set up by nationalizing \_\_\_\_\_.
- 8 IDBI and IFCI are examples of \_\_\_\_\_.
- 9 LAB means \_\_\_\_\_.
- 10 Insurance of insurance is \_\_\_\_\_.

(10 × 1 = 10 marks)

**Part B**

*Answer any **eight** questions.  
Each question carries 2 marks.*

- 11 What are industrial banks ?
- 12 Explain IDBI.
- 13 Explain Promissory note.
- 14 Explain payment in due course.
- 15 What is a smart card ?
- 16 What is RTGS ?
- 17 What is no claim bonus ?
- 18 What is marine insurance ?
- 19 Life insurance is a contract of indemnity. Give your opinion
- 20 What is term policy ?

(8 × 2 = 16 marks)

**Part C**

*Answer any **six** questions.  
Each question carries 4 marks.*

- 21 Specify the circumstances when a banker MAY refuse payment/honour a cheque issued by a customer.
- 22 What are the precautions a banker has to take while opening and operating a joint account ?

- 23 What is a bill of exchange ? What are the essentials of bill of exchange ?
- 24 Explain holder in due course. What are the conditions to be satisfied to be a holder in due course ?
- 25 What, is financial inclusion ? Specify any two financial inclusion schemes of Government of India.
- 26 What is insurance ? Explain its characteristics.
- 27 What is life insurance ? What are the principles of life insurance ?
- 28 What is cash reserve ratio and statutory liquidity ratio ?

(6 × 4 = 24 marks)

#### Part D

*Answer any two questions.  
Each question carries 15 marks.*

- 29 Discuss about Reserve Bank of India. What are the specialized departments of the RBI? What are the major objectives of RBI ?
- 30 What is a cheque ? What are its essentials ? What is the distinction between cheque and bill of exchange ?
- 31 What are specialized banks ? Briefly discuss about EXIM bank and SIDBI and give their important functions.

(2 × 15 = 30 marks)

C 21195

(Pages : 3)

Name.....

Reg. No.....

**FOURTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION  
APRIL 2022**

B.Com.

A14—BANKING AND INSURANCE

(2014—2016 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part I***Answer all questions.*

1. Overdraft facility is available to \_\_\_\_\_ Account holders.
  - a) Fixed.
  - b) Recurring.
  - c) Current.
  - d) Savings.
2. \_\_\_\_\_ is absolutely essential for special crossing.
  - a) Two parallel transverse lines.
  - b) Words 'And Company.'
  - c) Words 'Not negotiable.'
  - d) Name of banker.
3. \_\_\_\_\_ is used for the transmission and receipt of all international financial messages by member banks and financial institutions.
  - a) SWIFT.
  - b) EFT.
  - c) CORE.
  - d) CFMS.
4. Which one of the following does not belong to the main products of life insurance ?
  - a) Endowment.
  - b) Personal accident.
  - c) Term.
  - d) Whole life.
5. Insurable interest must be present in \_\_\_\_\_ insurance contract at the time of contract and at the time of loss.
  - a) Fire.
  - b) Marine.
  - c) Property.
  - d) Life.

**Turn over**

6. Rate of interest on deposits is determined by \_\_\_\_\_.
7. The only public sector company in the field of life insurance is \_\_\_\_\_.
8. A cheque becomes stale on the expiry of \_\_\_\_\_.
9. The insurer agrees to compensate the insured in consideration of a sum of money called \_\_\_\_\_.
10. The banks which provide long term finance is \_\_\_\_\_.

(10 × 1 = 10 marks)

### Part II (Short Answer Questions)

Answer any **eight** questions.

11. Define banker.
12. What do you mean by RTGS ?
13. Distinguish between cheque and draft.
14. What is subrogation ?
15. What is a clearing house ?
16. Define assignment in insurance.
17. State the meaning of : (a) Proposal ; and (b) Policy.
18. Define endorsement.
19. Who are the parties to a credit card ?
20. State the three tier structure of co-operative banks.

(8 × 2 = 16 marks)

### Part III (Short Essays)

Answer any **six** questions

21. Explain the general principles of life insurance.
22. Explain different types of crossing.
23. 'Central Bank is banker's Bank' - Explain.
24. What is E - Banking ? Discuss its merits.
25. State the features of a negotiable instrument.

26. Explain the powers of IRDA.
27. Write a note on : (a) Internet Banking ; (b) Tele Banking ; (c) Mobile Banking ; and (d) EFT.
28. Explain the general relationship between the banker and customer.

(6 × 4 = 24 marks)

**Part IV (Long Essays)**

*Answer any two questions.*

29. Define insurance. Explain various kinds of insurance.
30. Explain the emerging trends in the field of banking
31. Explain the various credit control measures of RBI.

(2 × 15 = 30 marks)

**FOURTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION  
APRIL 2021**

B.Com.

A 14—BANKING AND INSURANCE

(2017 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all questions.*

*Each question carries 1 mark.*

(A) Choose the correct answer :

- 1 Central Bank can issue Currency notes up to a certain limit without gold reserve :  
(a) Fixed fiduciary system.                      (b) Maximum Fiduciary system.  
(c) Proportional reserve system.              (d) Minimum Reserve system.
- 2 A Cheque which torn into two or more pieces :  
(a) Order Cheque.                                      (b) Stale Cheque.  
(c) Mutilated Cheque.                              (d) Blank Cheque.
- 3 The policy is one where the insurer undertakes to make good the loss only up to the amount specified in the policy :  
(a) Valued policy.                                      (b) Average policy.  
(c) Consequential loss policy.                      (d) Specific policy.
- 4 Reserve Bank of India was formally inaugurated in :  
(a) 1934.    (b) 1969.  
(c) 1935.    (d) 1943.
- 5 Damages and losses due to any accident between two or more vehicles are covered under :  
(a) Garage insurance policy.                      (b) Collision insurance policy.  
(c) Comprehensive policy.                              (d) Third party policy.

**Turn over**

(B) Fill in the blanks :

- 6 \_\_\_\_\_ is a Cheque which need not necessarily contain the name of the payee.
- 7 The person who is appointed by the will to administrator the estate of the deceased person is known as \_\_\_\_\_.
- 8 \_\_\_\_\_ refers to a process by which claims of banks against one another are settled without the use of cash.
- 9 \_\_\_\_\_ implies persuasion and request made by the Reserve bank to the commercial banks to follow certain policies.
- 10 \_\_\_\_\_ is the form of electronic banking for transacting inter-bank transactions.

(10 × 1 = 10 marks)

### Part B (Short Answer Questions)

*Answer any eight questions.*

*Each question carries 2 marks.*

- 11 What do you mean by postdated Cheque ?
- 12 What is SWIFT ?
- 13 Define Banking.
- 14 Mention the primary functions of Commercial banks.
- 15 What do you mean by Smart Card ?
- 16 What is MICR Cheque ?
- 17 Definethe contract of Marine insurance.
- 18 What is Double insurance ?
- 19 What is IFSC ?
- 20 What are the difference between debit card and credit card ?

(8 × 2 = 16 marks)

### Part C (Short Essays Questions)

*Answer any six questions.*

*Each question carries 4 marks.*

- 21 Write a note on the principles of Insurance.
- 22 Distinguish between Nomination and Assignments.

- 23 Describe the different kinds of Marine insurance policies.
- 24 Define Negotiable Instruments. Elucidate the Characteristics of Negotiable Instruments.
- 25 What are the advantages of RTGS ?
- 26 Explain the powers of IRDA.
- 27 Explain the Qualitative methods of credit control adopted by central bank of a country.
- 28 What are the advantages of E -Cheque ?

(6 × 4 = 24 marks)

**Part D (Essay Questions)**

*Answer any two questions.*

*Each question carries 15 marks.*

- 29 Explain the commercial banking structure in India.
- 30 Define the Concept of Insurance ? Briefly explain the classification of Insurance.
- 31 Define Cheque ? Describe Crossing of Cheque.

(2 × 15 = 30 marks)

**FOURTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION  
APRIL 2021**

B.B.A.

A 14—BANKING AND INSURANCE

(2014 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part I**

*Answer all questions.*

*Each question carries 1 mark.*

1. The system of note issue followed in India is :
  - a) Proportional Reserve.
  - b) Foreign Exchange Reserve.
  - c) Maximum Fiduciary.
  - d) Minimum Reserve.
2. An instrument payable to order is negotiated by :
  - a) Delivery and payment.
  - b) Endorsement and delivery.
  - c) Presentment and payment.
  - d) Delivery and assignment.
3. \_\_\_\_\_ is a contract between two or more insurance companies by which a portion of risk of loss is transferred to another insurance companies.
  - a) Double insurance.
  - b) Reinsurance.
  - c) Treaty insurance.
  - d) Banc-assurance.
4. EFT stands for :
  - a) Electronic Fund Transfer.
  - b) External Fund Transfer.
  - c) Electronic Fund Transaction.
  - d) Exchange Fund Transfer.
5. The general insurance corporation is holding company, which has \_\_\_\_\_ subsidiary companies.
  - a) 10.
  - b) 12.
  - c) 4.
  - d) 6.

**Turn over**

6. KYC stands for \_\_\_\_\_.
7. Claims can arise on individual policies due to death or \_\_\_\_\_.
8. An asset which ceased to yield income is called \_\_\_\_\_.
9. \_\_\_\_\_ is an autonomous insurance regulator set up in 2000.
10. \_\_\_\_\_ is a document used to deposit money into bank account.

(10 × 1 = 10 marks)

### Part II (Short Answer Questions)

*Answer any eight questions.*

*Each question carries 2 marks.*

11. Define Customer.
12. What do you mean by SWIFT ?
13. Distinguish between assignment and nomination.
14. What is a stale cheque ?
15. What is a claim register ?
16. What do you mean by repo rate ?
17. What is smart card ?
18. Define insurable interest.
19. State any *two* features of property insurance policies.
20. Define Promissory Note.

(8 × 2 = 16 marks)

### Part III (Short Essays)

*Answer any six questions.*

*Each question carries 4 marks.*

21. Briefly explain the special relationship between the banker and customer.
22. Distinguish between cheque and Bill of Exchange.
23. 'Central Bank is Government's Bank'—Explain.
24. Explain the popular E-Banking transactions.
25. Discuss the main kinds of Fire Insurance Policies.

26. Explain the functions of NABARD.
27. Explain different types of endorsement.
28. Write a brief note on insurance business in India.

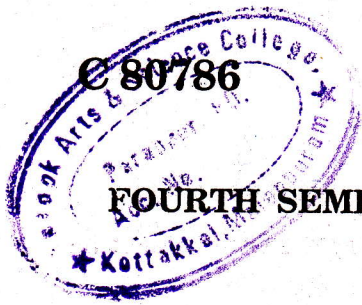
(6 × 4 = 24 marks)

**Part IV (Long Essays)**

*Answer any two questions.  
Each question carries 15 marks*

29. Define Crossing. Explain different types of crossing.
30. Define contract of insurance. Explain the principles of insurance.
31. State the functions of commercial banks.

(2 × 15 = 30 marks)



(Pages : 3)

Name.....

Reg. No.....

**FOURTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, APRIL 2020**

(CUCBCSS—UG)

B.Com./B.B.A.

A 14—BANKING AND INSURANCE

(2017 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all questions.*

*Each question carries 1 mark.*

I. Choose the correct answer :

1. Banking functions centrally controlled by the :

- a) Central Bank of India.                      b) RBI.  
c) SBI.    d) Both [b] and [c].

2. The ratio between cash in hand and total assets maintained by the banks is called :

- a) SBR (Statutory Bank Ratio).      b) SLR (Statutory Liquid Ratio).  
c) CBR (Central Bank Reserve).      d) CLR (Central Liquid Reserve).

3. What is 'Repo rate' ?

- a) Is the rate at which the RBI lends to State Government.  
b) Is the rate at which the International aid agencies lend to RBI.  
c) Is the rate at which the RBI lends to banks.  
d) Is the rate at which the banks lends to RBI.

4. Which of the following combinations are correct ?

- a) NABARD — Industrial Loans.  
b) RBI — Long term finance.  
c) RRB — Agricultural finance.  
d) IDBI — Short term loans.

5. Which one of the following Indian banks is not a nationalized bank ?

- a) Federal Bank.                                      b) Vijaya Bank.  
c) Corporation Bank.                                d) Dena Bank.

**Turn over**

## II Fill in the blanks :

- 6 \_\_\_\_\_ is the place where bankers meet and settle their mutual claims and accounts
- 7 For regulation and development of the insurance sector of the country the Government has formed \_\_\_\_\_.
- 8 \_\_\_\_\_ is the largest Public Sector Bank in India ?
- 9 The Reserve Bank of India was taken over by the Government in the year \_\_\_\_\_.
- 10 \_\_\_\_\_ is the first Bank established in India.

(10 × 1 = 10 marks)

**Part B***Answer any eight questions from the following.**Each question carries 2 marks.*

- 11 Define Bank.
- 12 Who is a money lender ?
- 13 What is material alteration ?
- 14 What is a crossed cheque ?
- 15 What is CORE Banking ?
- 16 What is RTGS ?
- 17 Define Insurance.
- 18 What is average clause ?
- 19 What is insurable interest ?
- 20 What is meant by contract of indemnity ?

(8 × 2 = 16 marks)

**Part C***Answer any six questions from the following.**Each question carries 4 marks.*

- 21 Explain the characteristics of a Central Bank.
- 22 What are the types of deposits accepted by Commercial banks ?
- 23 Distinguish between general crossing and special crossing.
- 24 Distinguish between holder and holder in due course.
- 25 Briefly explain the importance of general insurance for business.

- 26 What are the powers of IRDA ?
- 27 Distinguish between Debit card and Credit card.
- 28 What are the advantages of internet banking ?

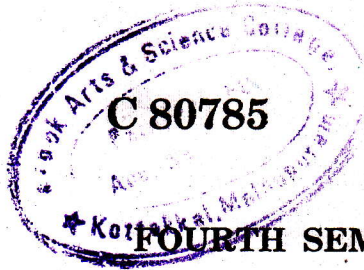
(6 × 4 = 24 marks)

**Part D**

*Answer any two questions from the following.  
Each question carries 15 marks.*

- 29 What is Fixed Fiduciary System of note issue ?
- 30 What is crossing ? Explain its types.
- 31 Define Life Insurance. What are the general principles of insurance ?

(2 × 15 = 30 marks)



(Pages : 3)

Name.....

Reg. No.....

**FOURTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, APRIL 2020**

(CUCBCSS—UG)

B.Com./B.B.A.

**A 14—BANKING AND INSURANCE**

(2014 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all questions.*

*Each question carries 1 mark.*

A) Choose the correct answer :

1 A customer is required to remit a fixed sum for a certain period in \_\_\_\_\_ deposit.

(a) Fixed.

(b) Current.

(c) Saving.

(d) Recurring.

2 At present SBI has \_\_\_\_\_ number of subsidiary banks :

(a) 4.

(b) 5.

(c) 6.

(d) 7.

3 The principle of subrogation is introduced to protect the interest of:

(a) Insured.

(b) Insurer.

(c) Agent.

(d) All of these.

4 Discounting of bill of exchange is the most popular method of \_\_\_\_\_ by banks.

(a) Lending.

(b) Deposits.

(c) Savings.

(d) Revenue generation.

5 The initial capital of RBI is :

(a) Rs. 2 Crore.

(b) Rs. 5 Crore.

(c) Rs. 7 Crore.

(d) Rs. 10 Crore.

**Turn over**

B) Fill in the blanks :

- 6 The doctrine of subrogation is not applicable to \_\_\_\_\_ insurance business.
- 7 CORE stands for \_\_\_\_\_.
- 8 Internet banking is also known as \_\_\_\_\_.
- 9 The first bank of India is \_\_\_\_\_.
- 10 Crossing on a cheque can be cancelled by the \_\_\_\_\_ of the cheque, under his full signature.

(10 × 1 = 10 marks)

**Part B (Short Answer Questions)**

*Answer any eight questions in two or three sentences.*

*Each question carries 2 marks.*

- 11 What is indigenous bank ?
- 12 What do you mean by consequential loss ?
- 13 What is garnishee order ?
- 14 What is fire insurance ?
- 15 Define chain banking.
- 16 Give the meaning of re-insurance.
- 17 What is meant by escrow ?
- 18 Who is a beneficiary ?
- 19 What is ECS ?
- 20 Expand : a) MICR ; b) NEFT.

(8 × 2 = 16 marks)

**Part C (Short Essays)**

*Answer any six questions.*

*Each question carries 4 marks.*

- 21 State the merits and demerits of group banking.
- 22 Write the features of fire insurance.
- 23 Explain the limitations of credit creation.
- 24 Bring out the different types of liability insurance.
- 25 State the exception to the general lien of a banker.

- 26 Describe the functions of commercial banks.
- 27 Write a note on powers of IRDA.
- 28 Describe the steps in e-payment.

(6 × 4 = 24 marks)

**Part D (Long Essays)**

*Answer any two questions.*

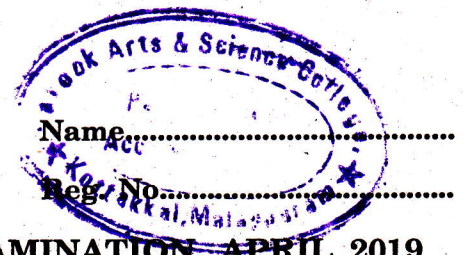
*Each question carries 15 marks.*

- 29 What is a bank account ? Explain the types of accounts and the situations lead to close the bank account.
- 30 Define Insurance. Explain its functions.
- 31 Discuss the credit control measures of RBI.

(2 × 15 = 30 marks)

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(Pages : 3)



**FOURTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, APRIL 2019**

(CUCBCSS—UG)

B.Com.

**A 14—BANKING AND INSURANCE**

(2017 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all questions.*

*Each question carries 1 mark.*

(A) Choose the correct answer :

- 1 The bank which meets the long-term credit requirements of the agriculturist :
  - (a) Land Development Banks.
  - (b) Regional Rural Banks.
  - (c) Foreign Banks.
  - (d) Private Sector Bank.
- 2 A chip-based card which is a kind of an electronic purse :
  - (a) Debit Card.
  - (b) Credit Card.
  - (c) Smart Card.
  - (d) E- Card.
- 3 Inserting the name of the collecting banker between the two parallel transverse lines on the face of a cheque :
  - (a) General crossing.
  - (b) Special crossing.
  - (c) Account payee crossing,
  - (d) Not negotiable crossing.
- 4 General Insurance business in India with effect from :
  - (a) 1<sup>st</sup> January 1987.
  - (b) 1<sup>st</sup> January 1973.
  - (c) 1<sup>st</sup> January 1937.
  - (d) 1<sup>st</sup> January 1978.
- 5 The bank which has taken up the entire refinancing functions of the RBI :
  - (a) RRB.
  - (b) ICICI.
  - (c) IDBI.
  - (d) NABARD.

Turn over

(B) Fill in the blanks :

- 6 Non-payment of money when the cheque is presented for payment is known as \_\_\_\_\_.
- 7 Selective credit control is also known as \_\_\_\_\_.
- 8 \_\_\_\_\_ means buying and selling of commercial paper and government securities in the market by the Central bank.
- 9 \_\_\_\_\_ is coverage for the risk that an event is bound to happen.
- 10 IRDA Stands for \_\_\_\_\_.

(10 × 1 = 10 marks)

**Part B (Short Answer Questions)**

*Answer any eight questions.*

*Each question carries 2 marks.*

- 11 What do you mean by indemnity ?
- 12 What is Gift cheque ?
- 13 What do you mean by Currency principle ?
- 14 Define a Banker.
- 15 What do you mean by Current deposit ?
- 16 What is Causa Proxima ?
- 17 Explain the term E-banking ?
- 18 What is Stale cheque ?
- 19 What is Nomination ?
- 20 Write a note on letter of credit ?

(8 × 2 = 16 marks)

**Part C (Short Essay Questions)**

*Answer any six questions.*

*Each question carries 4 marks.*

- 21 Write a note on the dimensions of E-banking.
- 22 Explain the quantitative credit control methods adopted by the Central bank of a Country.
- 23 Describe the primary functions of Commercial bank ?

- 24 What points must be considered by the drawer before issuing a cheque to avoid the dishonor of Cheque ?
- 25 What are the limitations of credit creation by Commercial banks ?
- 26 Explain the principles which govern the issue of currency notes.
- 27 Write a note on IRDA Act 1999 ?
- 28 Explain the drawbacks of Regional Rural banks.

(6 × 4 = 24 marks)

**Part D (Essay Questions)**

*Answer any two questions.*

*Each question carries 15 marks.*

- 29 Define Cheque. What are the essentials of a Valid Cheque ? What are the advantages of printed forms of cheque ?
- 30 What is Internet banking ? Explain the advantages and disadvantages of Internet banking ?
- 31 What is Insurance ? Elaborate the role and importance of insurance.

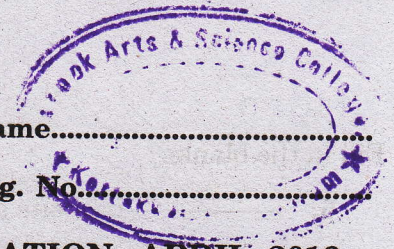
(2 × 15 = 30 marks)

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(Pages : 3)

Name.....

Reg. No.....



**FOURTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, APRIL 2019**

(CUCBCSS—UG)

B.Com.

A 14—BANKING AND INSURANCE

(2014 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part I**

*Answer all questions.  
Each question carries 1 mark.*

1. The lender of last resort is called \_\_\_\_\_.  
(a) IMF. (b) World Bank.  
(c) RBI. (d) None of these.
2. PIN in ATM card stands for \_\_\_\_\_.  
(a) Personal Index Number.  
(b) Personal Interaction Number.  
(c) Personal Identification Number.  
(d) None of these.
3. The validity period of a Cheque is \_\_\_\_\_.  
(a) 5 months. (b) 6 months.  
(c) 3 months. (d) None of these.
4. SWIFT is for \_\_\_\_\_.  
(a) Cheque payment.  
(b) Clearing accounts.  
(c) Communication for financial transactions.  
(d) None of these.
5. \_\_\_\_\_ Insurance is not a contract of indemnity.  
(a) Fire. (b) Property.  
(c) Marine. (d) Personal Accident.

**Turn over**

Fill in the blanks :

6. \_\_\_\_\_ deposits generally do not carry any interest.
7. During the time of inflation, central bank \_\_\_\_\_ the bank rates.
8. Fixed deposits are also called \_\_\_\_\_.
9. The period of Fire Insurance policy is \_\_\_\_\_ year.
10. The written contract of Insurance issued by insurer to the insured is called \_\_\_\_\_.

(10 × 1 = 10 marks)

### Part II (Short Answer Questions)

*Answer any eight questions.*

*Each question carries 2 marks.*

11. Define Bank.
12. Write a short note on Reserve Bank of India.
13. What are primary credit societies ?
14. What is electronic transfer of funds ?
15. What is Internet Banking ?
16. Define Insurance.
17. What is Life Insurance ?
18. What is Property Insurance ?
19. Define Negotiable Instrument.
20. Define a Cheque.

(8 × 2 = 16 marks)

### Part III (Short Essays)

*Answer any six questions.*

*Each question carries 4 marks.*

21. What are the modern functions of Commercial Banks ?
22. Discuss the advantages of Automated Teller Machine.
23. What are the importances of Life Insurance ?

24. What are the features of Marine Insurance Contract ?
25. What are the features of Negotiable Instrument ?
26. What are the essential conditions of Bill of Exchange ?
27. What are the elements of Fire Insurance Contract ?
28. Describe the role and importance of Banks in Economic Development.

(6 × 4 = 24 marks)

**Part IV (Long Essays)**

*Answer any two questions.  
Each question carries 15 marks.*

29. Explain the Indian banking structure.
30. Describe the popular services covered under E-banking.
31. Discuss the nature and characteristics of Insurance.

(2 × 15 = 30 marks)

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(Pages : 3)

Name.....  
Reg. No.....

**FOURTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, APRIL 2018**

(CUCBCSS—UG)

Common Course

**A 14—BANKING AND INSURANCE**

Time : Three Hours

Maximum : 80 Marks

**Part I**

*Answer all questions.  
Each question carries 1 mark.*

1. Note issue is the function of ———.
  - (a) SBI.
  - (b) Imperial Bank of India.
  - (c) Central Bank.
  - (d) None of these.
2. RTGS stands for ———.
  - (a) Real Time Gross Scheme.
  - (b) Real Time General Settlement.
  - (c) Real Time Gross Settlement.
  - (d) None of these.
3. A demand draft is issued by ———.
  - (a) Bank.
  - (b) Customer.
  - (c) Creditor.
  - (d) None of these.
4. EFT stands for :
  - (a) Electronic Fee Transfer.
  - (b) Electronic Fund Transfer.
  - (c) Electronic Finance Transfer.
  - (d) None of these.
5. The main source of income of an Insurance Company is ———.
  - (a) Discount.
  - (b) Premium.
  - (c) Interest.
  - (d) None of these.
6. RBI was started in the year ———.

**Turn over**

7. Banking Regulation Act was passed in the year \_\_\_\_\_.
8. Deposit which offers the highest rate of interest is \_\_\_\_\_.
9. General insurance is a contract of \_\_\_\_\_.
10. The person to whom money is payable on a cheque is called \_\_\_\_\_.

(10 × 1 = 10 marks)

### Part II (Short Answer Questions)

*Answer any eight questions.  
Each question carries 2 marks.*

11. What are Foreign banks ?
12. What are Central Co-operative Banks ?
13. Define Central Bank.
14. What is Automated Teller Machine ?
15. What is a Credit Card ?
16. What is insurance premium ?
17. What is marine insurance ?
18. What is personal accident insurance ?
19. Define a promissory note.
20. Define General Crossing.

(8 × 2 = 16 marks)

### Part III (Short Essays)

*Answer any six questions.  
Each question carries 4 marks.*

21. What are the benefits of insurance ?
22. What are the features of life insurance ?
23. What are the features of fire insurance ?
24. Discuss the modern functions of Commercial banks.
25. What are the types of negotiable instruments ?
26. What are the three parties to a cheque ?

27. What are the features of a cheque ?
28. Explain the role and importance of banks in economic development.

(6 × 4 = 24 marks)

**Part IV (Long Essays)**

*Answer any two questions.*

*Each question carries 15 marks.*

29. Explain the functions of Commercial banks.
30. Explain the importance of insurance.
31. Explain the popular services covered under E-banking.

(2 × 15 = 30 marks)

**FOURTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION  
APRIL 2017**

(CUCBCSS-UG)

Common Course

**A 14—BANKING AND INSURANCE**

Time : Three Hours

Maximum : 80 Marks

**Part A***Answer all questions.**Each question carries 1 mark.***A. Choose the correct answer :**

1. A bill drawn by one bank on other bank is known as :
  - (a) Bill of Exchange.
  - (b) Demand draft.
  - (c) Bank note.
  - (d) Promissory note.
2. Regional Rural Banks are sponsored by :
  - (a) RBI.
  - (b) State Government.
  - (c) Central Government.
  - (d) Nationalized Commercial Banks.
3. To transmit money from one place to another, bank issues :
  - (a) Draft.
  - (b) Old.
  - (c) Postal order.
  - (d) Money order.
4. Whole life policy is a policy taken for a period of :
  - (a) 10 years.
  - (b) Till 60 years.
  - (c) 15 years.
  - (d) Throughout life.
5. The most important feature of a negotiable instrument is :
  - (a) Free transfer.
  - (b) Transfer free from defects.
  - (c) Right to sue.
  - (d) (a) and (b) together.

**B. Fill in the blanks :**

6. An order cheque can be transferred by \_\_\_\_\_ and delivery.
7. \_\_\_\_\_ is a cheque that a bank as refused to cash or pay because the account holder does not have sufficient funds.
8. Particular average loss is associated with \_\_\_\_\_.

**Turn over**

9. \_\_\_\_\_ cheque is a dead cheque.
10. The time between a proposal and issue of policy, the risk is covered by \_\_\_\_\_.
- (10 × 1 = 10 marks)

**Part B (Short Answer Questions)**

*Answer any eight questions.*

*Each question carries 2 marks.*

11. What is meant by mixed banking?
12. What is double insurance?
13. What do you understand by the term "banker"?
14. What is base rate?
15. Define the principle of contribution.
16. What is assurance?
17. What is meant by RTGS?
18. Who is a beneficiary?
19. What is credit card?
20. What is Hull insurance?

(8 × 2 = 16 marks)

**Part C (Short Essay Questions)**

*Answer any six questions.*

*Each question carries 4 marks.*

21. Differentiate between promissory note and bill of exchange.
22. Describe innovative functions of commercial banks.
23. State the requirements of a valid cheque.
24. State the utility services offered by commercial banks.
25. What is endorsement? Explain the liability of an endorser.
26. List out the essential elements of a valid Life Insurance Contract.
27. What is Debit card? Explain different types of Debit card.
28. Explain the functions of RBI.

(6 × 4 = 24 marks)

**Part D (Essay Questions)**

*Answer any two questions.*

*Each question carries 15 marks*

29. Discuss the role of commercial banks in the economic development of a country.
30. "Insurance meets the social obligation of every member of the society" – How? Elucidate.
31. What is insurance contract? Explain the formalities under maturity claim.

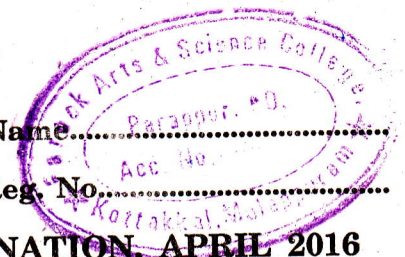
(2 × 15 = 30 marks)

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(Pages : 2)

Name.....

Reg. No.....



**FOURTH SEMESTER B.Com./B.B.A. DEGREE EXAMINATION, APRIL 2016**

(CUCBCSS—UG)

Common Course

**A14—BANKING AND INSURANCE**

Time : Three Hours

Maximum : 80 Marks

**Part I**

*Answer all questions.*

1. \_\_\_\_\_ Bank meets the requirements of medium and long term financial needs of industrial concerns.  
(a) Commercial Bank. (b) Agricultural Bank.  
(c) NABARD. (d) Industrial Bank.
2. Account with either 'Nil' balance or very low minimum balance :  
(a) Savings. (b) No frills.  
(c) Current. (d) None of these.
3. \_\_\_\_\_ is the minimum rate at which the RBI is ready to grant loans and advances to Commercial banks.  
(a) Repo rate. (b) Prime Lending rate.  
(c) Bank Rate. (d) None of these.
4. The Bank doesn't pay any interest on \_\_\_\_\_ Account.  
(a) Current. (b) Fixed.  
(c) Savings. (d) Recurring.
5. The principle of subrogation is introduced to protect the interests of \_\_\_\_\_.  
(a) Insured. (b) Agents.  
(c) Insurer. (d) All of the above.
6. Life Insurance Corporation was nationalized in \_\_\_\_\_.
7. If there is no insurable interest, the insurance contract will become \_\_\_\_\_.
8. Note Issue is the major function of \_\_\_\_\_.
9. Insuring the same subject matter with two or more insurer is \_\_\_\_\_.
10. \_\_\_\_\_ is a policy which specifies the agreed value of the subject matter.

(10 × 1 = 10 marks)

**Turn over**

**Part II (Short Answer Questions)**

*Answer any eight questions.*

11. Define Customer.
12. What is financial inclusion ?
13. What is SLR ?
14. What is assignment of a policy ?
15. What is re-insurance ?
16. What is micro finance ?
17. What is current account ?
18. What is a scheduled bank ?
19. What is fire insurance ?
20. What is causa proxima ?

(8 × 2 = 16 marks)

**Part III (Short Essays)**

*Answer any six questions.*

21. Explain briefly the Functions of NABARD.
22. Explain the features of Insurance Contract.
23. Explain the procedure for opening a Joint Account.
24. Explain the role of banking sector in the Economic Development.
25. Explain the Principle of Subrogation.
26. What are the various types of Deposits ?
27. What are the circumstances under which a Bank Account can be closed ?
28. Explain in brief different kinds of Insurance.

(6 × 4 = 24 marks)

**Part IV (Long Essays)**

*Answer any two questions.*

29. Explain the Innovative functions of bank today.
30. Explain the functions of Reserve Bank of India ?
31. What is Life Insurance ? Explain the principles of Life Insurance Contract.

(2 × 15 = 30 marks)