

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)