

REG. NO. _____

**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)

studynotes.in