

**C 61155**

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

**APRIL 2019**

**(CUCBCSS - UG)**

**B.Com.**

**A 14 - BANKING AND INSURANCE**

Time : Three Hours

Maximum : 80 Marks

**Part A**

Answer **all** the questions (Each question carries 1 mark.)

Choose the correct answer:

1. The bank which meets the long-term credit requirement of the agriculturist:  
(a) Land Development Banks.      (b) Regional Rural Banks.  
(c) Foreign Banks.      (d) Private Sector Banks.
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) 1st January 1987.      (b) 1st January 1973.  
(c) 1st January 1937.      (d) 1st January 1978.
5. The bank which has taken up the entire refinancing function of the RBI:  
(a) RRB.      (b) ICICI.  
(c) IDBI.      (d) NABARD.

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 x 1 =10 marks)

**Part B**

Answer **any eight** questions (Each question carries 2 mark.)

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 x 2 =16 marks)

### **Part C**

Answer **any six** questions (Each question carries 4 mark.)

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 government issue of currency notes.
27. Write a note on IRDA Act 1999?
28. Explain the drawbacks of Regional Rural banks.

(6 x 4 = 24 marks)

### **Part D**

Answer **any two** questions (Each question carries 15 mark.)

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 of importance of insurance.

(2 x 15 =30 marks)