

C 23258

**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).

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) Drafts.                                        (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.

Fill in the blanks :

6. An order cheque can be transferred by \_\_\_\_\_ and delivery.

7. \_\_\_\_\_ is a cheque that a bank has refused to cash or pay because the account holder does not have sufficient funds.
  8. Particular average loss is associated with \_\_\_\_\_.
  9. \_\_\_\_\_ cheque is a dead cheque.
  10. The time between a proposal and issue of policy, the risk is covered by \_\_\_\_\_.
- (10 x 1 = 10 marks)

### Part B

Answer any **8** questions from the following (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 x 2 = 16 marks)

### Part C

Answer any **6** questions from the following (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 x 4 = 24 marks)

### Part D

Answer any **2** questions from the following (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 of the society" - How ? Elucidate.
31. What is insurance contract ? Explain the formalities under maturity claim.

(2 x 15 = 30 marks)

