

**B.B.A. DEGREE (C.B.C.S.S.) EXAMINATION, MARCH 2014****Sixth Semester****Core Course—BANKING AND INSURANCE MANAGEMENT**

Time : Three Hours

Maximum Weight : 25

**Part A (Objective Type)***Answer all questions.**Each bunch of four questions carries a weight of 1.*

- I. 1 Unit banking is also known as :
- (a) Foreign banking. (b) Street banking.  
(c) Localised banking. (d) Branch banking.
- 2 Electronic image of paper cheque :
- (a) E-cheque. (b) I-cheque.  
(c) M-cheque. (d) None.
- 3 A cheque which bears a date earlier than the date of issue :
- (a) antedated cheque. (b) post dated cheque.  
(c) state cheque. (d) marked cheque.
- 4 A customer's letter of instructions, without any stamp, in connection with operations of his account is known as :
- (a) Power of attorney. (b) Mandate.  
(c) Probate. (d) Authority Letter.
- II. 5 The RBI was established in :
- (a) 1935. (b) 1947.  
(c) 1949. (d) 1951.
6. A tool for chanelising credit for poverty alleviation :
- (a) Lead Bank Scheme. (b) Service Area Approach.  
(c) Micro Finance. (d) Nationalisation.
- 7 Purchase and sale of Government securities by Central Bank is called :
- (a) Investment promotion. (b) Open Market operation.  
(c) Securities control. (d) None of these.
- 8 Which one of the following is not a Negotiable Instrument?
- (a) Cheque. (b) Promissory Note.  
(c) Bills of Exchange. (d) F.D. Receipt.

**Turn over**

- III. 9 Selective credit control by a Central Bank needs to regulate the :
- Cost of credit.
  - Availability of credit.
  - Use or purpose for which credit is utilised.
  - All the above.
- 10 The Apex institution in the field of industrial development banking in India is :
- IFCI.
  - ICICI.
  - LIC.
  - IDBI.
- 11 Life Insurance contract is a :
- Contingent contract.
  - Subrogation contract.
  - Contribution contract.
  - Contract of indemnity.
- 12 Insured cannot use the contract of insurance for speculation due to the principle of :
- Indemnity.
  - Utmost good faith.
  - Contribution.
  - Subrogation.
- IV. 13 The IRDA Act was passed in the year :
- 1938.
  - 1956.
  - 1999.
  - 1972.
- 14 The terms 'insurance' and 'assurance' are :
- One and the same thing.
  - Differentiated on the basis of uncertainty or certainty of risk.
  - Differentiated on the basis of person guaranteeing the coverage of risk.
  - None of the above.
- 15 Method by which an insurer transfers all or a portion of his risk to another insurer :
- Double insurance.
  - Re-insurance.
  - Co-insurance.
  - Group insurance.
- 16 The doctrine of contribution does not apply to :
- Fire insurance.
  - Life insurance.
  - Accident insurance.
  - Both (b) and (c).

(4 × 1 = 4)

### Part B (Short Answer Type)

*Answer any five questions from this part.  
Each question carries a weight of 1.*

- What is 'branch banking system'?
- What is 'endorsement'?
- What do you mean by Smart Card?

- 20 What is meant by Core banking?
- 21 Explain the term 'Risk'.
- 22 Define Insurance.
- 23 What is Health Insurance?
- 24 What is a consequential loss policy?

(5 × 1 = 5)

**Part C (Short Essay/Problem Solving Type)**

*Answer any four questions from this part.  
Each question carries a weight of 2.*

- 25 What are the characteristics of a cheque.
- 26 Write a note on IRDA.
- 27 Explain the role of New Generation Banks in India.
- 28 What is Social Insurance? Explain its relevance.
- 29 Discuss the advantages of E-banking.
- 30 Briefly explain the features of life insurance.

(4 × 2 = 8)

**Part D (Essay Type)**

*Answer any two questions from this part.  
Each question carries a weight of 4.*

- 31 Explain the important functions of Commercial Banks.
- 32 Discuss the main functions of the RBI.
- 33 Define Marine Insurance. Briefly explain the different types of Marine Insurance policies.

(2 × 4 = 8)