

C 31199-A

(Pages : 4)

Name.....

Reg. No.....

THIRD SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2017

(CUCBCSS—UG)

Economics

ECO 3B 04—MODERN BANKING AND INSURANCE

(Multiple Choice Questions for SDE Candidates)

Time : 15 Minutes

Total No. of Questions : 20

Maximum : 20 Marks

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

ECO 3B 04—MODERN BANKING AND INSURANCE

(Multiple Choice Questions for SDE Candidates)

1. RBI first implemented CTS at :
(A) Delhi. (B) Kolkata.
(C) Mumbai. (D) Bangalore.
2. The banking ombudsman scheme is introduced by :
(A) RBI. (B) Prime Minister.
(C) Finance Minister. (D) President.
3. Insurance is a _____.
(A) Charity. (B) Gambling.
(C) A contract. (D) Discount.
4. Fire insurance was firstly used at _____.
(A) Italy. (B) Germany.
(C) India. (D) France.
5. The first life insurance policy was issued in the year :
(A) 1653. (B) 1675.
(C) 1850. (D) 1665.
6. On 29th September 2015 bank rate is :
(A) 5.75. (B) 6.25.
(C) 7.75. (D) 6.5.
7. Voice recognition capability can be through :
(A) E-banking. (B) Tele banking.
(C) M-banking. (D) SMS banking.

8. Alternative Banking is ———.
- (A) Tele banking. (B) Social banking.
(C) SMS banking. (D) M-banking.
9. Which one serves as a form of revolving credit ?
- (A) Social bank. (B) Debit card.
(C) Credit card. (D) E-purse.
10. NEFT operates in ——— batches.
- (A) Hourly. (B) Daily.
(C) Weekly. (D) Monthly.
11. Which one is the controller of credit ?
- (A) RBI. (B) Federal Bank.
(C) Union Bank. (D) Bank of India.
12. Money market is a market for ——— fund.
- (A) Short term fund. (B) Long term fund.
(C) Secular fund. (D) Mid-term fund.
13. Treasury bills are available for minimum amount of Rs. ———.
- (A) 20,000. (B) 25,000.
(C) 10,000. (D) 30,000.
14. The goal of MMMFs was to provide short term avenue to :
- (A) Farmers. (B) Businessmen.
(C) Investors. (D) Unemployed.
15. Reverse repo is introduced in :
- (A) January 1996. (B) April 1996.
(C) November 1996. (D) December 1996.

Turn over

16. The first chartered bank was established in the year ———.

- (A) 1781. (B) 1775.
(C) 1870. (D) 1881.

17. The word meaning of Banco is ———.

- (A) Heap. (B) Gold.
(C) Deposit. (D) Loan.

18. Upper bank of India was established in ———.

- (A) 1860. (B) 1870.
(C) 1863. (D) 1865.

19. The apex institution in the financial system of a country is :

- (A) Central bank. (B) State bank.
(C) National bank. (D) Federal bank.

20. The central office of RBI is at ———.

- (A) Mumbai. (B) Chennai.
(C) New Delhi. (D) Calcutta.

**THIRD SEMESTER B.A. DEGREE EXAMINATION
NOVEMBER 2017**

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Economics

ECO 3B 04—MODERN BANKING AND INSURANCE

Time : Three Hours

Maximum : 80 Marks

*Answers may be written either in English or in Malayalam.***Part A***Answer all twelve questions.
Each question carries ¼ weightage.*

1. SIDBI was established in the year _____.
(a) 1980. (b) 1990.
(c) 1985. (d) 1995.
2. IBRD is Popularly known as _____.
(a) IMF. (b) Exchange Bank.
(c) SIDBI. (d) World Bank.
3. _____ Bank has been included in the Second Schedule of the Reserve Bank of India Act 1934.
(a) Commercial Banks. (b) Scheduled Banks.
(c) Central Banks. (d) None of these.
4. Which one is the controller of credit ?
(a) RBI. (b) Federal Bank.
(c) Union Bank. (d) Bank of India.
5. The rate at which Central Bank grant loans to the Commercial banks against the security is _____.
(a) Repo rate. (b) Reverse repo.
(c) Bank rate. (d) Discounting bills.
6. The apex institution in the financial system of a country is _____.
(a) Central bank. (b) State bank.
(c) National bank. (d) Federal bank.

Turn over

7. _____ is the biggest Private Sector bank.
- (a) ICICI. (b) IDBI.
(c) IFCL. (d) None of these.
8. Market for short term funds refers to _____.
(a) Capital market. (b) Money market.
(c) Security market. (d) None of these.
9. Certificate of deposits are one of the instrument of _____.
(a) Capital market. (b) Money market.
(c) Central Bank. (d) None of these.
10. NEFT is _____ payment system facilitating one to one fund transfer.
(a) Nationwide. (b) State wide.
(c) Region wise. (d) District wise.
11. Continuous settlement of fond transfer is related to :
(a) Real Time Gross Settlement. (b) Deferred Net Settlement.
(c) Capital Settlement. (d) None of these.
12. _____ Ensure the financial soundness of banks.
(a) Capital adequacy ratio. (b) Labour adequacy ratio.
(c) Financial liabilities. (d) None of these.

(12 × ½ = 6 marks)

Part B (Very Short Answer Type Questions)

*Answer any ten questions.
Each question carries 2 marks.*

13. What are the kinds of Insurance ?
14. Explain the concept of Banker's bank.
15. What is meant by endowment ?
16. What are the features of Reinsurance ?
17. Explain the several system of banking.
18. What are the functions of E-banking ?
19. Explain credit cards and debit cards.
20. Explain the classification of risks.

21. Explain the concept of e-purse.
22. What are the features of life insurance ?
23. Explain non-performing assets.
24. Describe unorganized sector of money market.

(10 × 2 = 20 marks)

Part C (Short Essay Questions)

*Answer any six questions.
Each question carries 5 marks.*

25. What are the principles of risk insurance management ?
26. What are the functions of SFCs ?
27. Difference between mediclaim insurance and Personal accident insurance.
28. Explain the evolution of insurance in India.
29. What are the functions of Developmental banks in India ?
30. What are the instruments of money market ?
31. Explain need for security against risk management process.
32. What are the problems of E-banking ?

(6 × 5 = 30 marks)

Part D (Essay Questions)

*Answer any two questions.
Each question carries 12 marks.*

33. Explain major innovations in banking history.
34. Explain the structure of Money Market.
35. Explain risk management of life insurance companies.
36. Explain kinds of policies under Life Insurance in India.

(2 × 12 = 24 marks)