

**THIRD SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2018**

(CUCBCSS—UG)

Core Course

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 ½ mark.*

1. The institution which promote international trade :  
(a) SFC. (b) ICICI.  
(c) IDBI. (d) EXIM Bank.
2. The number of banks nationalized in 1980 :  
(a) 10. (b) 14.  
(c) 6. (d) 20.
3. The institution which promote agriculture and rural development :  
(a) NABARD. (b) RRB.  
(c) SIDBI. (d) IFCI.
4. Direct buying and selling of securities and bills in money market is called \_\_\_\_\_.  
(a) Bank rate. (b) Moral suasion.  
(c) Open market operations. (d) SLR.
5. Among the public sector banks \_\_\_\_\_ is the biggest bank.  
(a) New Bank of India. (b) State Bank of India.  
(c) ICICI. (d) Punjab National Bank.
6. The function of indigenous bankers is :  
(a) To lend funds to public. (b) To accept funds from public.  
(c) Both. (d) None of these.
7. \_\_\_\_\_ Bank is known as Banker's Bank.  
(a) RBI. (b) Federal bank.  
(c) Union bank. (d) Bank of India.

**Turn over**

8. Insurance is a \_\_\_\_\_.  
(a) Charity. (b) Gambling.  
(c) A contract. (d) Discount.
9. Treasury bills are issued by :  
(a) RBI. (b) IMF.  
(c) IBRD. (d) IFCI.
10. The method of banking in which customers conduct transaction through internet :  
(a) Mobile bank. (b) E-bank.  
(c) E-commerce. (d) Tele banking.
11. NABARD was established in the year :  
(a) 1981. (b) 1982.  
(c) 1983. (d) 1984.
12. \_\_\_\_\_ provide for payment only in the event of death before a certain date or age.  
(a) Term insurance. (b) Group insurance.  
(c) Premium insurance. (d) None of the above.

(12 × ½ = 6 marks)

**Part B (Very Short Answer Type Questions)**

*Answer any ten questions.*

*Each question carries 2 marks.*

13. What are the features of Unit banking ?
14. What are the unorganized sectors of money market ?
15. What are the functions of EFTS ?
16. Distinguish between credit card and debit card.
17. What are the functions of consortium banking ?
18. What are the main features of RTGS ?
19. Explain the process of insurance company operations.
20. What are the kinds of policies under life insurance ?
21. Explain Different concepts of electronic purse.
22. What are the principles of insurance ?
23. What are the types of insurance organizations ?
24. Explain the functions of mixed banking.

(10 × 2 = 20 marks)

**Part C (Short Essay Questions)**

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

25. Explain the brief history of banking.
26. What are the types of insurance ?
27. What are the functions of IDBI ?
28. What are the instruments of money market ?
29. Explain Banking sector reforms in India.
30. What are development banks ?
31. Explain the monetary functions of RBI.
32. What are the difference between unit banking and mixed banking ?

(6 × 5 = 30 marks)

**Part D (Essay Questions)**

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

33. Explain recent trends in banking.
34. Explain major functions of Central bank.
35. What are effects of nationalization of commercial banks in India ?
36. Explain the components of money market in India.

(2 × 12 = 24 marks)