

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

Banking is defined in

- (a) RBI Act
- (b) Banking Regulation Act
- (c) Govt. of India Act
- (d) Companies Act

Who establishes the mutual fund in India?

- (a) Securities exchange board of India
- (b) Asset management company
- (c) Sponsor
- (d) Shareholders

The person who seeks protection against a risk and to whom the insurance policy is issued is known as \_\_\_\_\_

- (a) insurer (b) customer
- (c) insured (d) creditor

Insurance works on the principle of

- (a) Sharing of losses (b) Probabilities
- (c) Large numbers (d) All of the above

Life insurance corporation of India was formed in the year \_\_\_\_\_

- (a) 1948 (b) 1964
- (c) 1956 (d) 1984

\_\_\_\_\_ insurance cover loss or damage to a ship and intranist cargo over the water ways land and air.

- (a) Motor insurance
- (b) Marine insurance
- (c) Third party insurance
- (d) Fire insurance

- 2. Banker-customer relationship starts when
  - (a) A customer opens an account
  - (b) A customer becomes a relative of a banker
  - (c) The banker and banker become friends
  - (d) None of the above
- 3. A collecting banker is given protection only when he collects
  - (a) A crossed cheque
  - (b) An order cheque
  - (c) An bearer cheque
  - (d) An mutilated cheque
- 4. In the case of a negotiable instrument, the following person generally gets a good title \_\_\_\_\_
  - (a) Finder of the lost instrument
  - (b) Holder of a stolen instrument
  - (c) Holder in due course
  - (d) Holder of a forged instrument
- 5. \_\_\_\_\_ refers to the use of a mobile device to carry out financial transactions.
  - (a) Internet banking (b) Tele banking
  - (c) Mobile banking (d) All of these

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

- 11. (a) What are the rights of the banker?  
Or  
(b) Bring out the classifications of banks.
- 12. (a) Explain the types of negotiable instruments and its features.  
Or  
(b) What are the essential elements of promissory note?
- 13. (a) List the important features of micro finance.  
Or  
(b) What are the advantages of bancassurance?
- 14. (a) What are the functions of insurance?  
Or  
(b) What are the types of risks in insurance?

15. (a) What are the features of life insurance?

Or

(b) State the importance of general insurance.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Discuss the functions of bank.

Or

(b) Explain the relationship between banker and customer.

17. (a) Explain the types of negotiable instruments and its features

Or

(b) Describe the circumstance of a dishonor of cheque.

18. (a) Distinguish between traditional banking and E-banking.

Or

(b) Discuss the types of factoring.

Page 5 Code No. : 20753 E

19. (a) Explain the power and functions of IRDA.

Or

(b) Discuss the recent developments in the life insurance industry.

20. (a) Explain the features of life insurance.

Or

(b) Briefly explain the types of general insurance policies with its features.

Page 6 Code No. : 20753 E