

Total No. of Questions: 6

Total No. of Printed Pages:3

Enrollment No.....



Faculty of Commerce
End Sem Examination May-2024

CM3EB08 Indian Banking & Insurance System

Programme: B.Com. (Hons.) Branch/Specialisation: Commerce

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d. Assume suitable data if necessary. Notations and symbols have their usual meaning.

- Q.1
- i. Which was the first bank established in India? **1**
(a) Bank of India (b) Allahabad Bank
(c) State Bank of India (d) Bank of Hindustan
 - ii. In which year was the Reserve Bank of India (RBI) established? **1**
(a) 1935 (b) 1947 (c) 1950 (d) 1969
 - iii. Which function of a bank involves providing financial advice and investment services? **1**
(a) Depository services (b) Loan services
(c) Investment services (d) Payment services
 - iv. Which function of banks involves providing overdraft facilities to customers? **1**
(a) Credit creation (b) Risk management
(c) Loan services (d) Forex services
 - v. Which type of account is designed for conducting regular business transactions like payments and receipts? **1**
(a) Savings account (b) Current account
(c) Fixed deposit account (d) Recurring deposit account
 - vi. What is the purpose of a KYC (Know Your Customer) process when opening a bank account? **1**
(a) To assess the creditworthiness of the customer
(b) To verify the identity and address of the customer
(c) To offer personalized banking services
(d) To determine the interest rates for the account

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- vii. Which insurance policy provides coverage for medical expenses incurred due to illness or injury? **1**
 (a) Life insurance (b) Health insurance
 (c) Property insurance (d) Auto insurance
- viii. What is the primary purpose of life insurance? **1**
 (a) Protecting against property damage
 (b) Providing financial security to beneficiaries
 (c) Covering medical expenses
 (d) Offering investment opportunities
- ix. What is the primary purpose of general insurance? **1**
 (a) Providing financial security to beneficiaries
 (b) Covering medical expenses
 (c) Protecting against property and liability risks
 (d) Offering investment opportunities
- x. Which life insurance policy provides coverage only for a specified period and does not build cash value? **1**
 (a) Term life insurance (b) Whole life insurance
 (c) Universal life insurance (d) Variable life insurance
- Q.2 i. What were the origins of banking in ancient India? **2**
 ii. Explain the concept of scheduled banks and non-scheduled banks. **3**
 iii. Explain the role of the RBI in regulating and supervising commercial banks. **5**
- OR iv. Discuss the functions of commercial banks in detail. **5**
- Q.3 i. What is discounting of bills? **2**
 ii. Discuss the importance of banks accepting deposits from customers. Explain the different types of deposits banks offer. **8**
- OR iii. Explain the process of providing loans and advances as a primary function of banks. **8**
- Q.4 i. What is a joint account? Who can open joint account? **3**
 ii. Explain the features and benefits of a savings account. Discuss how it differs from other types of bank accounts. **7**
- OR iii. Explain the role of Know Your Customer (KYC) requirements in the account opening process. **7**

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- Q.5 i. Explain the basic principles of insurance. **4**
 ii. What is insurance? Why is it important for individuals and businesses? **6**
- OR iii. How does life insurance contribute to financial security and peace of mind for individuals and families? **6**
- Q.6 Attempt any two:
- i. Describe the types of risks covered by general insurance policies. **5**
 ii. Explain the difference between life insurance and general insurance. **5**
 iii. What are the different types of life insurance policies available? **5**

Marking Scheme
Indian Banking & Insurance System (T) - CM3EB08 (T)

Q.1	i)	d) Bank of Hindustan	1
	ii)	a) 1935	1
	iii)	c) Investment services	1
	iv)	c) Loan services	1
	v)	b) Current Account	1
	vi)	b) To verify the identity and address of the customer	1
	vii)	b) Health insurance	1
	viii)	b) Providing financial security to beneficiaries	1
	ix)	c) Protecting against property and liability risks	1
	x)	a) Term life insurance	1

Q.2	i.	As Per Explanation	2 Marks
	ii.	As Per Explanation	3 Marks
	iii.	As Per Explanation	5 Marks
OR	iv.	As Per Explanation	5 Marks

Q.3	i.	As Per Explanation	2 Marks
	ii.	As Per Explanation	8 Marks
OR	iii.	As Per Explanation	8 Marks

Q.4	i.	As Per Explanation	3 Marks
	ii.	As Per Explanation	7 Marks
OR	iii.	As Per Explanation	7 Marks
Q.5	i.	As Per Explanation	4 Marks
	ii.	As Per Explanation	6 Marks
OR	iii.	As Per Explanation	6 Marks
Q.6			
	i.	As Per Explanation	5 Marks
	ii.	As Per Explanation	5 Marks
	iii.	As Per Explanation	5 Marks
