

Reg. No.:



Y8600

Name:

University of Kerala

Second Semester FYUGP Degree Examination, June 2026

Discipline Specific Core Course

COMMERCE

UK2DSCCOM104 - Practices of Banking and Insurance

Academic Level: 100-199

2024 Admission onwards

Time: 2 Hours(120 Mins)

Max. Marks: 56

**Part A. 6 Marks:Time 5 Minutes.(Cognitive Level :Remember(RE)/Understand(UN)) Objective Type.1 mark each,
Answer all questions**

Qn No.	Question	CL	CO
1	DRT stands for Options : A)Debt Recovery Tribunal B)Debt Regulation Trust C)Direct Recovery Tribunal D)Deposit Regulation Tax	RE	4
2	Identify the principle stating disclosure of material facts in insurance. Options : A)Utmost Good Faith B)Contribution C)Indemnity D)Subrogation	RE	4
3	Identify the banking instrument that guarantees payment to exporters in International trade. Options : A)Promissory note B)Bill of Exchange C)Letter of credit D)Cheque	UN	1
4	Identify the deposit account mainly intended to encourage savings among individuals. Options : A)Current Account B)Savings Bank Account C)Cash Credit Account D)Loan Account	UN	3
5	A customer uses their bank's mobile app to check account balance, pay bills, and transfer funds. This is an example of: Options : A)Internet Banking B)Mobile Banking C)SWIFT Payment System D)ATM Banking	UN	3
6	Recognize which of the following type of message is prohibited from being written on currency notes Options : A)Political message B)Religious Message C)Personal message D)All of the above	UN	1

Part B. 10 Marks.Time:20 Minutes (Cognitive Level:Understand(UN)/Apply(AP))Two-three sentences.2 marks each.Answer all questions

Qn No.	Question	CL	CO
7	Define asset liability management in banking.	UN	1
8	Summarise the term 'Insurable Risk'.	UN	1
9	Illustrate the use of plastic card for making cashless payments in a textile shop.	AP	3
10	Write any two characteristics of Foreign Banks.	AP	1
11	Apply the concept of crossing of cheque to prevent misuse of cheque.	AP	2

Part C. 16 Marks.Time:35 Minutes.(Cognitive Level :Apply(AP)/Analyse(AN))Short Answer.4 marks each, Answer all 4 questions,choosing among options * within each question

Qn No.	Question	CL	CO
12	A) A bank introduces paperless transactions and online statements for customers. Illustrate how this supports green banking practices. OR B) Write the main objectives of Banking Ombudsman Scheme.	AP	3, 2
13	A) Present the importance of insurance in managing financial emergencies. OR B) A factory owner insures his factory against fire and natural disasters. Illustrate how insurance performs its functions in this situation	AP	4, 4
14	A) Analyse the role of RBI in maintaining economic stability in India. OR B) Analyse the different Qualitative or selective credit control methods adapted by the Central Bank in an economy.	AN	1, 1
15	A) Analyze the differences between general crossing and special crossing in relation to cheques. OR B) Analyze the risks involved for a banker when dealing with accounts held by minors and identify the necessary precautions	AN	2, 2

Part D. 24 Marks.Time: 60 Minutes.(Cognitive Level :Analyse(AN)/Evaluate(EV)/Create(CR)) Long Answer 6 Marks each.Answer all 4 questions choosing among options * within each question

Qn No.	Question	CL	CO
16	A) Evaluate the various functions performed by Commercial banks in India OR B) Analyze the demand deposit and its characteristics and advantages.	AN	3, 2
17	A) Evaluate the effectiveness of RBI's general policies in managing inflation and economic growth. OR B) Assess the role of commercial banks in the process of credit creation and its impact on money supply in the economy.	EV	3, 3
18	A) Evaluate the contribution of different types of insurance policies such as life, health, fire, marine, and travel insurance in providing financial security to policyholders. OR B) Evaluate the benefits of government sponsored insurance schemes	EV	1, 1
19	A) Construct a model for improving customer experience through digital banking services OR B) Develop a plan explaining how banks can recover unpaid loans effectively under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993.	CR	3, 3