



## BRAINWARE UNIVERSITY

Term End Examination 2024-2025  
Programme – B.Com.(AFB)-Hons-2022  
Course Name – Banking and Insurance  
Course Code - BCMD504B  
( Semester V )

*Library*  
Brainware University  
398, Ramkrishnapur Road, Barasat  
Kolkata, West Bengal-700125

Full Marks : 60

Time : 2:30 Hours

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

### Group-A

(Multiple Choice Type Question)

1 x 15=15

1. Choose the correct alternative from the following :

- (i) Describe the role of a bank in a Bailee and Bailor relationship.
  - a) The bank lends money to the customer
  - b) The bank provides investment advice
  - c) The bank safeguards the customer's valuable assets
  - d) The bank acts as an agent for the customer
- (ii) Identify the first bank established in India.
  - a) Bank of Hindustan
  - b) Bank of Baroda
  - c) Bank of India
  - d) Indian Bank
- (iii) Identify the year when the Bank of Bombay was established.
  - a) 1809
  - b) 1840
  - c) 1843
  - d) 1906
- (iv) Explain the relationship between a bank and a customer when the bank provides investment advice.
  - a) Pledgee and Pledger
  - b) Mortgagee and Mortgagor
  - c) Advisor and Client
  - d) Hypothecatee and Hypothecator
- (v) Compare the interest rates typically offered on Savings Accounts and Fixed Deposit Accounts.
  - a) Savings Accounts offer higher interest rates
  - b) Fixed Deposit Accounts offer higher interest rates
  - c) Both offer the same interest rates
  - d) Interest rates are not applicable to these accounts
- (vi) Classify the following banks based on their establishment period: Bank of India, Bank of Hindustan, Bank of Baroda.

- a) Early banks, Mid-19th century banks, 20th-century banks  
b) 18th-century banks, 19th-century banks, 20th-century banks  
c) 19th-century banks, 20th-century banks, Late-20th century banks  
d) 18th-century banks, 19th-century banks, 20th-century banks
- (vii) Categorize an FCNR account based on its primary characteristic.  
a) Rupee-denominated account  
b) Foreign currency-denominated account  
c) Demat account  
d) Current account
- (viii) Apply your knowledge to determine which account type would be most suitable for an NRI wanting to invest their foreign earnings in India.  
a) Savings Account  
b) Current Account  
c) NRE Account  
d) Demat Account
- (ix) Apply your understanding to determine which account would be most suitable for a minor.  
a) Current Account  
b) Savings Account (managed by a guardian)  
c) Fixed Deposit Account  
d) NRE Account
- (x) Articulate the main objectives of the nationalization of banks in 1969.  
a) To reduce government intervention  
b) To ensure banks served priority sectors  
c) To privatize the banking sector  
d) To enhance competition among banks
- (xi) Calculate the number of major banks nationalized in 1980.  
a) 10  
b) 6  
c) 14  
d) 20
- (xii) State the banking service that facilitates instant fund transfers using mobile numbers.  
a) RTGS  
b) NEFT  
c) UPI  
d) SWIFT
- (xiii) Define a Public Sector Bank.  
a) A bank where more than 50% of the stake is owned by private entities  
b) A bank that primarily serves rural areas  
c) A bank where more than 50% of the stake is owned by the Government of India  
d) A bank headquartered outside India
- (xiv) Show the correct characteristic of Co-operative Banks.  
a) Profit-driven entities  
b) Registered under the Cooperative Societies Act, 1912  
c) Regulated under the Companies Act, 1956  
d) Primarily serve multinational corporations
- (xv) Classify a cheque that must be deposited into the named payee's account only.  
a) Bearer Cheque  
b) Account Payee Cheque  
c) Open Cheque  
d) Stale Cheque

### Group-B

(Short Answer Type Questions)

3 x 5=15

2. Define bank. (3)
  3. Differentiate between a bailor and a bailee. (3)
  4. Explain the benefits of mobile banking over traditional banking methods. (3)
  5. Explain the purpose and key features of a Foreign Currency Non-Repatriable (FCNR) bank account. (3)
  6. Analyze the impact of e-payments on cost reduction for businesses. (3)
- OR**
- Compare the features of debit and credit cards in terms of transaction benefits. (3)

**Group-C**  
(Long Answer Type Questions)

5 x 6=30

7. Differentiate between pledge, hypothecation, and mortgage. (5)
8. Classify the general and specific types of customers in banking. (5)
9. Classify and explain different types of deposits and their features. (5)
10. Describe the duties and responsibilities of the collecting banker. (5)
11. Illustrate the benefits and advantages of secured advances. (5)
12. Examine the role of mobile wallets in promoting cashless transactions in India. (5)

**OR**

A warehouse is insured with two companies, one for ₹15,00,000 and the other for ₹10,00,000. The warehouse experiences a fire and incurs a loss of ₹9,00,000. Calculate the contribution of each insurer. (5)

\*\*\*\*\*