

Five Pages
S. No. 70213

23PCM03

Reg. No.

END SEMESTER EXAMINATION NOV/DEC-2023

First Semester

M.Com

CORE – III BANKING AND INSURANCE

Time: Three Hours

Maximum: 75 marks

SECTION A – (15 x 1 = 15 marks)

ANSWER ALL QUESTIONS

1. The rapid transformation in banking is primarily driven by:
 - A Traditional banking practices
 - B Technological advancements and changing customer expectations
 - C Government regulations
 - D Global economic factors
2. Fintech stands for:
 - A Financial institutions and technology
 - B Financial intelligence and technology
 - C Financial technology
 - D Financial transformation
3. What is the primary purpose of Electronic Credit Clearing (ECC) in the financial system?
 - A To facilitate international money transfers
 - B To clear electronic checks
 - C To issue credit cards
 - D To enable electronic fund transfers between banks

4. What is the primary technology behind Distributed Ledger Technology (DLT)?
- A Block chain
 - B Artificial Intelligence (AI)
 - C Cloud computing
 - D Virtual reality
5. What are the benefits of switching to Cloud Banking?
- A Limited accessibility to financial services
 - B Cost savings, scalability, and accessibility
 - C Reduced scalability and flexibility
 - D Increased physical branch presence
6. How does AI contribute to reimagining banking services?
- A By automating routine tasks and providing personalized financial advice
 - B By maintaining traditional banking methods
 - C By introducing stricter regulations and compliance measures
 - D By increasing the complexity of financial transactions
7. Who regulates the Indian insurance market?
- A Reserve Bank of India (RBI)
 - B Securities and Exchange Board of India (SEBI)
 - C Insurance Regulatory and Development Authority of India (IRDAI)
 - D Ministry of Finance
8. Which insurance intermediary typically works on behalf of a specific insurance company to sell its policies and services?
- A Insurance Broker
 - B Third Party Administrator
 - C Surveyor
 - D Insurance Agent

9. Surveyors and loss assessors are primarily involved in:
- A Underwriting
 - B Evaluating property damage and losses
 - C Administering health services
 - D Providing legal advice to insurers
10. What is the primary role of insurance agents in customer service?
- A Maximizing profits for the insurance company
 - B Educating customers about the insurance industry
 - C Selling policies without explaining the terms and conditions
 - D Helping customers choose the right insurance coverage and providing assistance
11. The Insurance Ombudsman in India is responsible for:
- A Maximizing profits for insurance companies
 - B Investigating and resolving customer complaints
 - C Creating complex insurance policies
 - D Regulating the insurance industry
12. Regulations and guidelines in the insurance industry are primarily aimed at:
- A Complicating policy terms and conditions
 - B Protecting the interests of insurance companies
 - C Ensuring fair and ethical practices
 - D Reducing transparency for policyholders
13. Which of the following is not a method of risk management?
- A Risk transfer
 - B Risk avoidance
 - C Risk acceptance
 - D Risk amplification

14. What is common motivation for corporations to engage in risk management?
A Maximizing volatility B Minimizing profits
C Protecting against adverse events D Increasing leverage
15. Which risk control tool involves spreading the risk across multiple investments or assets to reduce the impact of a single loss?
A Risk avoidance B Risk mitigation
C Risk diversification D Risk retention

SECTION B – (2 x 5 = 10 marks)
ANSWER ANY TWO QUESTIONS

16. What is SWIFT, and what role does it play in international financial transactions?
17. Write the functions of Distributed Ledger Technology (DLT) in financial services.
18. Distinguish between an insurance agent and an insurance broker.
19. State the responsibilities of the Grievance Redressal System in the insurance sector.
20. How do banks and insurance companies control risk in their operations?

SECTION C – (5 x 10 = 50 marks)
ANSWER ALL QUESTIONS

21. A What are the key advantages and challenges associated with the adoption of digital banking services?

OR

- B Describe the advantages and disadvantages of Electronic Payment System.
22. A Explain the concept of Block chain in the context of banking, highlighting its key characteristics.

OR

- B Narrate the importance of AI in banking.
23. A Enumerate the primary purpose of insurance in providing financial security to individuals and businesses?

OR

- B Discuss the recent development in the insurance sector.
24. A Bring out the Role of Insurance Agents in Customer Service.

OR

- B How Insurance Regulatory and Development Authority (IRDA) play a pivotal role in the insurance sector?
25. A Explain the Procedures related to Management of risk.

OR

- B Discuss the significance of strategic planning in incorporating risk management within corporations.