PRN:		Course Code :	UBC302

Second Year **B.com** End Semester Examination Winter 2023

Banking and Insurance

Day and Date: Thursday, 30/11/2023 Max Marks: **100**

Time : 2.00 to 5.00 PM Duration: **03** hrs

Instructions: All questions are compulsory.

			Marks	Bloom's Level	CO
Q.1		**Attempt the following**			
	a)	Summarize the key differences between savings deposits and current (checking) deposits.	08	L1	1
	b)	List the characteristics of time deposits and demand deposits.	08	L1	1
	c)	Provide examples or illustrations of different deposit schemes offered by banks	09	L1	1
		Or			
	d)	Name the various types of deposits commonly found in banks	09	L1	1
Q.2		**Attempt the following**			
	a)	Summarize the types of bank lending and provide examples of situations where each type is typically used.	08	L2	2
	b)	Define customer profitability analysis in the context of bank lending and discuss its significance for banks.	08	L2	2
	c)	Outline the factors that influence the terms and conditions of bank loans and how they are determined by banks.	09	L2	2
		Or			
	d)	Describe the credit process in banking, including the key steps and the role of risk assessment.	09	L2	2
Q.3		**Attempt the following**			
	a)	Define primary reserves and secondary reserves, and discuss their nature and significance in liquidity management.	08	L2	3
	b)	Explain the key theories of liquidity management and how they guide financial decision-making in organizations	08	L2	3

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	c)	Calculate the estimated liquidity needs for a medium-sized corporation based on specific financial data. Explain the rationale for your calculations.	09	L3	3
		Or			
	d)	Evaluate the nature and importance of primary reserves in liquidity management. Provide an example of how a financial institution can effectively utilize primary reserves to maintain liquidity.	09	L3	3
Q.4		**Attempt the following**			
	a)	Apply the principles of insurance to assess the significance of insurance in mitigating various types of risks, including life and property-related risks.	08	L3	4
	b)	In a hypothetical scenario, explain how insurance serves as a risk management tool for a small business owner, considering the nature and scope of insurance.	08	L3	4
	c)	Analyze the scope and significance of insurance in the modern world, considering its role in risk management and financial protection.	09	L4	4
		Or			
	d)	Examine the factors influencing the measurement of risk in the insurance industry and discuss how mortality tables are used to assess life insurance risks.	09	L4	4

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