

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86**  
(For candidates admitted from the academic year 2023 – 2024 and thereafter)

**B. COM DEGREE EXAMINATION, APRIL 2026**  
**ACCOUNTING AND FINANCE**  
**FOURTH SEMESTER**

**COURSE : MAJOR CORE**  
**PAPER : BANKING AND INSURANCE**  
**SUBJECT CODE : 23AF/MC/BI43**  
**TIME : 3 HOURS**

**MAX. MARKS: 100**

Q. No.	SECTION A Answer ALL the Questions. (max. 50 words) (5 x 2 = 10)	CO	KL																
1.	What is the primary function of commercial banks?	1	K1																
2.	Write short note on “Digital Wallet”.	1	K1																
3.	Define “Insurance”.	1	K1																
4.	What do you understand by rebate on bills discounted?	1	K1																
5.	What is a non performing asset?	1	K1																
Q. No.	SECTION B Answer Any FOUR Questions. (max.150 words) (4 x 5 = 20)	CO	KL																
6.	Write a short note on opening of a bank account.	1	K2																
7.	Bring out the difference between debit card and credit card.	1	K2																
8.	Briefly explain the types of insurance products.	1	K2																
9.	How is rural banking different from retail banking?	1	K2																
10.	What are features of an ATM?	1	K2																
11.	Discuss the importance of insurance.	1	K2																
Q. No.	SECTION C Answer the following questions. (max. 500 words) (4 x 10 = 40)	CO	KL																
12.	(a) Discuss the types of Negotiable Instruments.	2	K3																
	<b>OR</b>																		
	(b) Explain the meaning and types of Electronic Payment System.	2	K3																
13.	(a) Elucidate the procedure for settlement of Insurance claims.	2	K3																
	<b>OR</b>																		
	(b) Explain in detail the circumstances and the procedure for closing the bank account.	2	K3																
14.	(a) From the following information, find out the amount of provision to be shown in the profit and loss account of a commercial bank assuming that all the doubtful debts are secured.	3	K4																
	<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Assets</th> <th style="width: 50%;">Rs. in lakhs</th> </tr> </thead> <tbody> <tr> <td>Standard</td> <td style="text-align: right;">8,000</td> </tr> <tr> <td>Sub standard</td> <td style="text-align: right;">6,000</td> </tr> <tr> <td>Doubtful:</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">For one year</td> <td style="text-align: right;">1,000</td> </tr> <tr> <td style="padding-left: 20px;">For Three Years</td> <td style="text-align: right;">1,600</td> </tr> <tr> <td style="padding-left: 20px;">For more than three years</td> <td style="text-align: right;">400</td> </tr> <tr> <td>Loss Assets</td> <td style="text-align: right;">1,200</td> </tr> </tbody> </table>	Assets	Rs. in lakhs	Standard	8,000	Sub standard	6,000	Doubtful:		For one year	1,000	For Three Years	1,600	For more than three years	400	Loss Assets	1,200		
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	(b) Compute the net claim to be shown in Revenue a/c for the year ending 31.3.25	3	K4																				
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	(b) Prepare the fire revenue account for 2024-25 from the following particulars.	3	K4																				
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16.	(a) Examine the functions and services offered by commercial bank.	4	K5																				
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	(b) What is E- banking? Evaluate the merits and demerits of E-banking.	4	K5																				

17.	<p>(a) Prepare the Balance sheet of Yes Bank Ltd. for the year ended 31.3.2025 as per banking regulation Act.</p> <table border="1"> <thead> <tr> <th></th> <th>Rs. in '000s</th> </tr> </thead> <tbody> <tr> <td>Share capital issued 80,000 shares of Rs. 100 each, Rs 50 paid</td> <td>4,000</td> </tr> <tr> <td>Reserve fund</td> <td>6,200</td> </tr> <tr> <td>Fixed Deposits</td> <td>42,600</td> </tr> <tr> <td>Savings bank Deposits</td> <td>19,000</td> </tr> <tr> <td>Current Account</td> <td>23,200</td> </tr> <tr> <td>Money at call and short notice</td> <td>1,800</td> </tr> <tr> <td>Government securities</td> <td>9,000</td> </tr> <tr> <td>Other investments</td> <td>16,000</td> </tr> <tr> <td>Profit and loss account (Cr) balance (1.1.2025)</td> <td>1,350</td> </tr> <tr> <td>Dividend for 2024</td> <td>400</td> </tr> <tr> <td>Premises (after depreciation up to 31.3.2025, Rs 45,000)</td> <td>2,950</td> </tr> <tr> <td>Cash in hand</td> <td>380</td> </tr> <tr> <td>Cash with RBI</td> <td>10,000</td> </tr> <tr> <td>Cash with other banks</td> <td>6,000</td> </tr> <tr> <td>Bills discounted</td> <td>51,000</td> </tr> <tr> <td>Loans and Overdrafts</td> <td>4,136</td> </tr> <tr> <td>Drafts payable</td> <td>70</td> </tr> <tr> <td>Unclaimed Dividends</td> <td>60</td> </tr> <tr> <td>Rebate on bill discounted</td> <td>50</td> </tr> <tr> <td>Short loans (Cr)</td> <td>4,750</td> </tr> <tr> <td>Furniture (After depreciation upto 31.12.2025, Rs. 1,36,000)</td> <td>1,164</td> </tr> <tr> <td>Net Profit for 2025</td> <td>1,550</td> </tr> </tbody> </table>		Rs. in '000s	Share capital issued 80,000 shares of Rs. 100 each, Rs 50 paid	4,000	Reserve fund	6,200	Fixed Deposits	42,600	Savings bank Deposits	19,000	Current Account	23,200	Money at call and short notice	1,800	Government securities	9,000	Other investments	16,000	Profit and loss account (Cr) balance (1.1.2025)	1,350	Dividend for 2024	400	Premises (after depreciation up to 31.3.2025, Rs 45,000)	2,950	Cash in hand	380	Cash with RBI	10,000	Cash with other banks	6,000	Bills discounted	51,000	Loans and Overdrafts	4,136	Drafts payable	70	Unclaimed Dividends	60	Rebate on bill discounted	50	Short loans (Cr)	4,750	Furniture (After depreciation upto 31.12.2025, Rs. 1,36,000)	1,164	Net Profit for 2025	1,550	5	K6
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