23CBA626N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2026
(Sixth Semester)

Branch - **COMMERCE (BUSINESS ANALYTICS)**

FUNDAMENTALS OF BANKING AND INSURANCE

Time: Three Hours　　　　Maximum: 75 Marks

SECTION-A (10 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks　　　　(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Which institution is the central bank of India? (i) SBI　(ii) RBI (iii) IDBI　(iv) EXIM Bank	K1	CO1
	2	Which of the following banks mainly caters to rural credit needs? (i) Foreign Banks (ii) Commercial Banks (iii) RRBs (iv) Payment Banks	K2	CO1
2	3	Which of the following is a demand deposit? (i) Fixed Deposit (ii) Recurring Deposit (iii) Savings Account (iv) Long-term Deposit	K1	CO2
	4	KYC norms are primarily followed to: (i) Increase bank profits (ii) Prevent money laundering (iii) Reduce interest rates (iv) Promote savings	K2	CO2
3	5	NEFT is mainly used for: (i) Cash withdrawal (ii) Electronic fund transfer (iii) Opening bank accounts (iv) Issuing demand drafts	K1	CO3
	6	Which of the following allows real-time fund transfer? (i) NEFT　(ii) Demand Draft (iii) RTGS　(iv) Pay Order	K2	CO3
4	7	Which principle of insurance is based on honesty between insurer and insured? (i) Indemnity　(ii) Subrogation (iii) Utmost Good Faith　(iv) Contribution	K1	CO4
	8	IRDAI mainly regulates: (i) Commercial banks (ii) Cooperative societies (iii) Insurance companies (iv) Stock exchanges	K2	CO4
5	9	Which insurance covers loss due to fire? (i) Marine Insurance　(ii) Life Insurance (iii) Fire Insurance　(iv) Health Insurance	K1	CO5
	10	Which of the following policies covers loss or damage to goods during sea transit? (i) Fire Insurance Policy (ii) Cargo Insurance Policy (iii) Fidelity Insurance Policy (iv) Motor Insurance Policy	K2	CO5

Cont...

SECTION - B (35 Marks)

Answer **ALL** questions
ALL questions carry **EQUAL** Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Summarise the types of banks operating in India.	K2	CO1
		(OR)		
	11.b.	Describe the functions of the Reserve Bank of India.		
2	12.a.	State the relationship between banker and customer.	K2	CO2
		(OR)		
	12.b.	Bring out the principles of sound lending.		
3	13.a.	Explain NEFT and RTGS in detail.	K3	CO3
		(OR)		
	13.b.	Describe the various alternate service channels of banks.		
4	14.a.	Explain the principles of insurance.	K3	CO4
		(OR)		
	14.b.	Discuss the role and importance of insurance.		
5	15.a.	Explain the procedure for taking a fire insurance policy.	K3	CO5
		(OR)		
	15.b.	Explain the procedure for taking a marine insurance policy.		

SECTION -C (30 Marks)

Answer **ANY THREE** questions
ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Describe the evolution and structure of the Indian banking system.	K3	CO1
2	17	Analyse secured and unsecured advances with suitable examples.	K4	CO2
3	18	Evaluate the impact of electronic banking services on customers.	K5	CO3
4	19	Explain the life insurance contract and types of assurances.	K4	CO4
5	20	Compare fire insurance and marine insurance.	K2	CO5

Z-Z-Z END