



Avinashilingam Institute for Home Science and Higher Education for Women
Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD (now MoE)
Re-accredited with an 'A++' Grade by NAAC CGPA 3.65/4, Category I by UGC
Coimbatore - 641 043, Tamil Nadu, India
Continuous Internal Assessment Test II - October 2025
Semester V

Class: III UG

Major: B.Com

Time: 2 hours

Max. Marks: 60

23BCOSE3A Sourcing Customers, Application Process and Cross Selling of Products

Course Outcomes:

- CO1:** Identify different ways to communicate with customers.
CO2: Able to outline application process and filling application form.
CO3: Able to Construct a communication process flow and plan.
CO4: Identify the channels for cross-selling of different products to microfinance customers.
CO5: Learn latest developments of Microfinance Institutions.

Part A

6x1=6

Choose the correct answer:

1. A microfinance customer says, "Your loan interest rate is too high compared to my current lender." How should a loan officer respond effectively? **CO3k2**
- a) Immediately offer a lower interest rate.
b) State that their competitor's rate is also high.
c) Ask questions to understand what value they currently receive and highlight the unique benefits of your loan, such as faster processing or flexible repayment options.
d) End the call, as the interest rate is non-negotiable.
2. After addressing objections, what is the best way to move toward closing the call? **CO3k2**
- a) End the call by saying "Thank you for your time".
b) Ask for a commitment, such as, "Are you ready to proceed with the loan application, or is there anything else I can help you with?"
c) Offer another product or service.
d) Wait for the customer to ask about the next steps.
3. What is the primary objective for an MFI to engage in cross-selling? **CO4k2**
- a) To offer a wider range of high-interest credit products
b) To increase the average revenue per customer
c) To exclusively provide non-financial services
d) To eliminate the need for group lending models
4. In the context of MFI cross-selling, which of the following is a common strategy? **CO4k2**
- a) Offering a completely unrelated product line, such as consumer durables
b) Using a Customer Relationship Management (CRM) system to identify opportunities
c) Increasing interest rates on existing loans to fund new products
d) Only cross-selling to new customers
5. Which of the following is the primary regulatory authority for Microfinance Institutions (MFIs) in India? **CO5k2**
- a) Securities and Exchange Board of India (SEBI)
b) Insurance Regulatory and Development Authority of India (IRDAI)
c) Reserve Bank of India (RBI)
d) National Bank for Agriculture and Rural Development (NABARD)
6. Which of the following is NOT typically included in the services offered as part of microfinance? **CO5k2**
- a) Micro-loans b) Micro-savings
c) Micro-insurance d) Large-scale corporate financing

Part B

3x6=18

Answer all the questions.

Answer each question within 400 words or two pages:

7. a. Explain the concept of objection handling with microfinance customers. **CO3k2**
(or)
7 b. Explain the concept of closure of call regarding microfinance customers. **CO3k2**
8 a. Write a short note on cross-selling of products by microfinance institutions. **CO4k2**
(or)
8 b. Explain the principles of life insurance. **CO4k2**
9 a. Narrate the regulatory framework of microfinance. **CO5k2**
(or)

3x12=36

Part C

Answer all the questions.

Answer each question within 800 words or four pages:

10 a. Classify and explain various types of mutual funds.
(or)

CO3k2

10 b. Explain the importance of life insurance.

CO3k2

11 a. Explain the advantages of mutual funds.
(or)

CO4k2

11 b. Explain the various types of life insurance products.

CO4k2

12 a. Describe the recent developments in microfinance sector.
(or)

CO5k2

12 b. Describe the business correspondence model of microfinance.

CO5k2

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