



*K. Sambath*

## 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 A++ Grade by NAAC. CGPA 3.65/4, Category I by UGC

Coimbatore - 641 043, Tamil Nadu, India

### Continuous Internal Assessment Test I – February 2026

#### IV Semester

Class : II UG

Major : BBA

Time: 2 hours

Maximum Marks: 60

### 24BBADE2A-Banking and Insurance

#### Course Outcomes:

At the end of the course, students will:

1. CO1: Understand the concept of Indian Banking system and its recent trends.
2. CO2: Gain knowledge the functioning of Reserve Bank of India and overall working of commercial banks in India.
3. CO3: Gain insight on the role of insurance in Economic Development.
4. CO4: Analyzing the Dimensions of Banker Customer Relationship
5. CO5: Inculcate knowledge on the concepts and need of Life Insurance and General Insurance.

#### Part - A

6 x 1 = 6

#### Choose the Correct Answer

1. The Central Bank of India is \_\_\_\_\_ CO1 K1  
a. SBI                      b. NABARD                      c. RBI                      d. SEBI
2. NABARD was established in the year \_\_\_\_\_ CO2 K1  
a. 1979                      b. 1991                      c. 1982                      d. 1985
3. Statutory protection to a paying banker is provided under \_\_\_\_\_ CO3 K1  
a. Sec 31                      b. Sec 85                      c. Sec 87                      d. Sec 138
4. Dishonour of cheque for insufficiency of funds results in \_\_\_\_\_ CO1 K1  
a. Civil Liability only      b. Criminal Liability only      c. No Liability      d. Bank Penalty
5. Insurance helps in spreading risk through \_\_\_\_\_ CO3 K1  
a. Risk Retention      b. Risk Avoidance      c. Risk Pooling      d. Risk Elimination
6. Insurance Contract becomes void in the absence of \_\_\_\_\_ CO3 K1  
a. Premium      b. Proposal      c. Insurable Interest      d. Nominee

#### Part - B

3 x 6 = 18

#### Answer ALL Questions

Each answer should not exceed 400 words or two pages

7. a. Define bank and explain its primary and secondary functions in brief. CO1 K2  
(or)
7. b. Write a short note on Regional Rural Banks (RRBs). CO2 K2
8. a. Explain statutory protection available to collecting banker in brief. CO1 K2  
(or)
8. b. Explain in brief on the dishonor of cheque its meaning, grounds and effects. CO3 K2
9. a. Write a brief note on meaning, characteristics and functions of Insurance. CO4 K2  
(or)
9. b. Explain the origin and Development of Insurance in brief. CO3 K2

#### Part - C

3 x 12 = 36

#### Answer ALL questions

Each answer should not exceed 800 words or four pages

10. a. Explain in detail on developmental banks and their role in Indian Banking System. CO2 K2  
(or)
10. b. Explain the role and functions of Reserve Bank of India in detail. CO3 K2
11. a. Explain the special relationship between banker and customer with reference to KYC. CO4 K2  
(or)
11. b. Discuss the duties and responsibilities of a collecting Banker. CO4 K2
12. a. Explain in detail about the concept of risk its meaning, types and management in detail. CO1 K2