



## End Term (Even) Semester Examination June 2025

Roll no., .....

Name of the Course and semester: B. Com (Hons) – 6<sup>th</sup> Semester

Name of the Paper: Banking and Insurance

Paper Code: BCH 606

Time: 3-hours

Maximum Marks: 100

**Note:**

- (i) All the questions are compulsory.
- (ii) Answer any two sub questions from a, b and c in each main question.
- (iii) Total marks for each question is 20 (twenty).
- (iv) Each sub-question carries 10 marks.

- Q1. (2X10=20 Marks)
- a. Define the term "Bank" as per the Banking Regulation Act, 1949. Explain the difference between current and savings deposits. (CO1)
  - b. Illustrate the relationship between a banker and a customer with a real-life example. (CO 1)
  - c. Compare and contrast the functions of commercial and cooperative banks in India. (CO2)
- Q2. (2X10=20 Marks)
- a. Demonstrate how the RBI's credit control measures can impact inflation. (CO2)
  - b. Assess the effectiveness of the RBI in promoting digital banking in India. (CO2)
  - c. List down functions of the Reserve Bank of India in regulating the economy. (CO1)
- Q3. (2X10=20 Marks)
- a. Write a detailed note on NEFT mechanism of fund transfer. (CO2)
  - b. Compare mobile banking with internet banking in terms of accessibility and risk. (CO2)
  - c. Explain the difference between NEFT and RTGS. (CO3)
- Q4. (2X10=20 Marks)
- a. Discuss the fundamental principles of insurance in detail. How do these principles govern the validity and functioning of insurance contracts? Illustrate with suitable examples. (CO3)
  - b. "The principle of indemnity is the backbone of all general insurance policies." Critically examine this statement. How do the principles of subrogation and proximate cause support or limit the application of indemnity? (CO5)
  - c. Evaluate the importance of the principle of 'utmost good faith' in insurance contracts. What are the consequences of breaching this principle for both the insurer and the insured? (CO 5)
- Q5. (2X10=20 Marks)
- a. Evaluate the importance of micro insurance for the benefit rural populations. (CO2)
  - b. Describe the organizational structure, powers, and regulatory functions of the Insurance Regulatory and Development Authority of India (IRDAI). How does IRDAI ensure the protection of policyholders and the orderly growth of the insurance industry in India? (CO2)
  - c. Define and differentiate between reinsurance and double insurance. Explain the need and benefits of reinsurance for insurance companies. (CO5)