

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**BVoc DEGREE EXAMINATION DECEMBER 2025
(Fifth Semester)**

Branch – BANKING, STOCK AND INSURANCE

MAJOR ELECTIVE COURSE – I : MODERN BANKING

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	-----is a characteristic of a Local Area Network (LAN) a) Covers a large geographical area b) Used for international communication c) Confined to a limited area like an office or building d) Requires satellite communication	K1	CO1
	2	An international network ----- is used for secure financial communication a) SWIFT b) UPI c) NEFT d) IMPS	K2	CO1
2	3	The ATM that is specifically meant for agricultural transactions is----- a) Pink-label ATM b) Orange-label ATM c) Green-label ATM d) Brown-label ATM	K1	CO2
	4	-----is an advantage of IMPS. a) Works only during banking hours b) Delay in settlement c) Real-time 24 × 7 transfer d) Requires physical cheque	K2	CO2
3	5	Debit cards allow----- a) Borrowing money from the bank b) Spending only what is available in the account c) Interest-free long-term credit d) Use without a bank account	K1	CO3
	6	-----is a limitation of Electronic Data Interchange (EDI) a) Increases processing speed b) Reduces paperwork c) High implementation cost d) Faster transfer of information	K2	CO3
4	7	The unique identification code of a bank in the SWIFT network is known as: a) IFSC Code b) Bank Information Code (BIC) c) MICR Code d) Routing Number	K1	CO4
	8	SWIFT stands for: a) Society for Worldwide Interbank Financial Telecommunication b) System for Wireless Internet Fund Transfer c) Secure Worldwide Interbank Funds Transaction d) Standard Wireless International Fund Transfer	K2	CO4
5	9	-----service offered by modern banking a) Mobile Banking b) Cheque clearing only c) Manual ledger posting d) None of the above	K1	CO5
	10	Disaster Management in Information Systems primarily deals with: a) Preventing employee attrition b) Recovery from system failures, data loss, and cyber-attacks c) Monitoring customers' bank accounts manually d) Avoiding mergers of banks	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.	Explain the E-Mail and how is it useful in banking communication. (OR)	K2	CO1
	11.b.	Write a note on the importance of E-Banking in modern banking systems.		
	12.a.	Differentiate between On-site ATM and Off-site ATM. (OR)		CO2
2	12.b.	Explain the precautions to be taken while handling MICR instruments.	K3	
	13.a.	Differentiate between Credit Card and Debit Card. (OR)	CO3	
	13.b.	Explain the Payment through Bank Network.		
4	14.a.	Write a note on Message Format in SWIFT. (OR)	K4	CO4
	14.b.	Explain the Bank Information Code (BIC).		
	15.a.	List out the services offered through modern banking. (OR)		CO5
5	15.b.	Explain the opportunities and threats of E-Banking.	K4	

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	Write about SWIFT and its role in international banking.	K4	CO1
2	17	Compare and contrast IMPS with other payment systems (NEFT, RTGS, UPI).	K4	CO2
3	18	Explain the working and challenges of Electronic Fund Transfer (EFT) in banking.	K4	CO3
4	19	Describe NOSTRO and VOSTRO accounts with examples and explain their role in international banking.	K4	CO4
5	20	Explain the concept of Computer Audit and Information System Audit, and discuss their importance in banking.	K4	CO5