Roll No:
Date: __/__/____

St. Claret College

Autonomous, Bengaluru

UG END SEMESTER EXAMINATION-MAY 2026
B.Com TOURISM & TRAVEL MANAGEMENT- II SEMESTER
BCT 2224: Modern Banking

15

TIME: 3 hours. **MAX. MARKS: 80**

This paper contains THREE printed pages and FOUR parts

Instructions:

1. **Verify and ensure that the question paper is completely printed.**
2. **Any discrepancies or questions about the exam paper must be reported to the COE within 1 hour after the examination.**
3. **Students must check the course title and course code before answering the questions.**

PART-A

Answer ALL questions. Each answer carries ONE mark. **[1 x 10 = 10]**

1. What does NEFT stand for?

   a) National Electronic Fund Transaction
   b) National Electronic Funds Transfer
   c) New Economic Fund Transfer
   d) National Economic Fund Transfer

2. What is the Repo Rate?

   a) RBI lends to banks
   b) Banks lend to RBI
   c) Savings account rate
   d) Government loan rate

3. A key benefit of AI in banking is:

   a) More manual work
   b) High costs
   c) Fraud detection
   d) Slower service

4. What is a Promissory Note?

   a) Verbal payment agreement
   b) Written promise to pay
   c) Bank loan paper
   d) Investment bond

5. PCA in banking stands for:

   a) Public Credit Agreement
   b) Prompt Corrective Action
   c) Private Cash Allocation
   d) Personal Credit Assessment

6. Full form of CIBIL:

a) Credit Information Bureau India Limited
b) Central Investment Bureau of Indian Loans
c) Commercial Investment Banking Institute
d) Credit and Banking Information Limited

7. What is Blockchain?

a) Centralized bank ledger
b) Decentralized digital ledger
c) ATM software
d) Fraud detection tool

8. Commercial banks are:

a) For govt. employees only
b) Accept deposits & give loans
c) Invest in stocks only
d) Handle only foreign currency

9. An ethical issue in banking:

a) Fast internet in banks
b) Data privacy issues
c) New loan products
d) Higher interest rates

10. Who is a holder for value?

a) Pays for a negotiable instrument
b) Gets a cheque as a gift
c) Bank staff managing accounts
d) Govt. official regulating banks

PART-B

Answer any THREE questions. Each answer carries EIGHT marks. **[3 x 8= 24]**

11. What are advantages and disadvantages of contactless payment methods?
12. What are the advantages of E- Banking.
13. Why are ethics important in Banking?
14. Write a note on Promissory Note.
15. State the differences between Scheduled and Non- Scheduled Banks.

PART-C

Answer any THREE questions. Each answer carries TWELVE marks. **[3 x 12 =36]**

16. Explain the relationship between the banker and customer.
17. Explain the types of endorsement.
18. State the role and importance of Monetary Policy tools.
19. Elaborate the different types of cheques.
20. Brief about the duties and powers of Banking Ombudsman.

PART-D

21. Analyze the case and answer the sub questions **[10x 1 = 10]**

Situation A On March 10, 2025, Mr. Arvind Sharma (Drawer) residing in Bangalore, supplies goods worth ₹1,00,000 to Ms. Priya Mehta (Drawee), who runs a retail store in Mumbai. Since Ms. Priya requests a credit period of 90 days, Mr. Arvind draws a Bill of Exchange payable on June 8, 2025. The bill is accepted by Ms. Priya.

Situation B On February 15, 2025, Mr. Rohan Kapoor (Maker) in Delhi borrows ₹75,000 from Mr. Anil Gupta (Payee) in Kolkata at an interest rate of 10% per annum. He promises to repay the amount after six months on August 15, 2025, at State Bank of India, Delhi.

Task:

a) Draft a Bill of Exchange for Situation A. (5 Marks)
b) Draft a Promissory Note for Situation B. (5 Marks)

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