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Name : .....

Reg. No : .....

**FIRST SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2025**

(FYUGP)

**CC24UCOM1MN106 - FOUNDATIONS OF MODERN BANKING**

(Commerce - Minor Course)

(2024 Admission - Supplementary/Improvement)

Time: 2.0 Hours

Maximum: 70 Marks

Credit: 4

**Part A** (Short answer questions)

Answer *all* questions. Each question carries 3 marks.

1. What are the key characteristics of negotiable instruments? [Level:2] [CO1]
2. Define credit creation in the context of commercial banks. [Level:2] [CO1]
3. What can a customer do if the bank refuses to honor a valid cheque? [Level:2] [CO2]
4. In what way does ALM contribute to the financial stability of banks? [Level:2] [CO2]
5. How does the lack of infrastructure pose a challenge to AI adoption in Indian banks? [Level:4] [CO3]
6. What role do chatbots play in banking customer service? [Level:2] [CO3]
7. Why is transparency important as an ethical consideration in technology banking? [Level:2] [CO3]
8. How do the RBI's cybersecurity framework guidelines impact banks in India? [Level:2] [CO4]
9. What are the primary functions of the Reserve Bank of India (RBI)? [Level:2] [CO1]
10. Explain the main objective of Anti-Money Laundering (AML) regulations. [Level:2] [CO3]

**(Ceiling: 24 Marks)**

**Part B** (Paragraph questions/Problem)

Answer *all* questions. Each question carries 6 marks.

11. How does the adoption of artificial intelligence in fraud detection improve operational efficiency for banks? [Level:4] [CO4]
12. Outline the various services a bank provides to its customers and explain how these services fulfill the basic banking needs of individuals and businesses. [Level:2] [CO2]
13. How do Commercial Banks contribute to the development of Small and Medium Enterprises (SMEs) in India? [Level:2] [CO1]

14. Explain the significance of the Banking Regulation Act in maintaining the health of the banking sector in India. What are its key provisions? [Level:2] [CO1]
15. What is the main difference between a savings account and a current account? [Level:2] [CO2]
16. Explain the importance of the Consumer Protection Act, 2019, in the banking sector. [Level:2] [CO3]
17. What is financial inclusion, and why is it important? [Level:2] [CO3]
18. Analyze how data analytics can enhance customer experience in banking. [Level:4] [CO4]

**(Ceiling: 36 Marks)**

**Part C (Essay questions)**

Answer any **one** question. The question carries 10 marks.

19. Discuss the significance of banking in economic development, citing specific ways banks contribute to the economy. [Level:2] [CO1]
20. How do cybercriminals use Distributed Denial of Service (DDoS) attacks to disrupt banking services, and what countermeasures can banks adopt? [Level:2] [CO4]

**(1 × 10 = 10 Marks)**

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