

## IMSc IT (FIN) Sem.-4 Examination

## FTBSC-21

## Payment &amp; Settlements

May-2025

[Max. Marks : 70]

Time : 2-30 Hours]

**Instructions:**

- Figures to the right indicate Full Marks.
- Do not write anything on the question paper.
- Simple calculator is allowed. Do not use a scientific calculator.

Q.1	Describe the different types of payment instruments with examples and their advantages and disadvantages. <b>OR</b>	14
Q.1	Describe the working of Real-Time Gross Settlement ( <b>RTGS</b> ) and National Electronic Funds Transfer ( <b>NEFT</b> ) with their benefits.	14
Q.2	What type of security challenges are there in the digital era and what are the mitigation Strategies. <b>OR</b>	14
Q.2	How DoorDash Partners with Klarna to Offer 'Buy Now, Pay Later' Options for US Customers? Explain.	14
Q.3	What are the historical evolution of payment systems? Explain it from barter to digital payments in details. <b>OR</b>	14
Q.3	Explain the RBI Payment and Settlement Systems Act, 2007, and its significance in regulating financial transactions.	14
Q.4	What is cross border payment? Explain SWIFT with an appropriate example. <b>OR</b>	14
Q.4	Describe the UPI developments between India and foreign countries. (Singapore, France, UAE)	14
Q.5	<b>Attempt any 14 out of 16 given MCQs.</b> 1. The Payment and Settlement Systems Act, 2007 is administered by which institution? A) SEBI B) Ministry of Finance C) Reserve Bank of India (RBI) D) NITI Aayog 2. What is the primary function of RBI? A) Distributing pensions B) Regulating mutual funds C) Regulating the issuance and supply of the Indian rupee D) Managing public sector banks	14

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	<ol style="list-style-type: none"><li>3. Which of the following is a real-time gross settlement system in India?<ol style="list-style-type: none"><li>A) NEFT</li><li>B) IMPS</li><li>C) RTGS</li><li>D) UPI</li></ol></li><li>4. Which organization developed and manages the UPI system?<ol style="list-style-type: none"><li>A) Reserve Bank of India</li><li>B) SEBI</li><li>C) NPCI</li><li>D) SBI</li></ol></li><li>5. Which payment system is best suited for small-value real-time transactions?<ol style="list-style-type: none"><li>A) RTGS</li><li>B) UPI</li><li>C) NEFT</li><li>D) SWIFT</li></ol></li><li>6. Which of the following is NOT a payment instrument?<ol style="list-style-type: none"><li>A) Credit Card</li><li>B) Debit Card</li><li>C) Cheque</li><li>D) Passbook</li></ol></li><li>7. Which of the following is considered a paper-based payment instrument?<ol style="list-style-type: none"><li>A) UPI</li><li>B) Cheque</li><li>C) Credit Card</li><li>D) Debit Card</li></ol></li><li>8. What does SWIFT stand for?<ol style="list-style-type: none"><li>A) Society for Worldwide Interbank Financial Telecommunication</li><li>B) Secure Wire International Fund Transfer</li><li>C) Standard Worldwide Instant Fund Transfer</li><li>D) Secure Web Interface for Financial Transactions</li></ol></li><li>9. The term "Nostro account" refers to:<ol style="list-style-type: none"><li>A) A loan account</li><li>B) An account a bank holds in a foreign country in foreign currency</li><li>C) A tax account</li><li>D) A government bond account</li></ol></li><li>10. What is the full form of CBDC, a recent innovation in digital payments?<ol style="list-style-type: none"><li>A) Central Bank Digital Currency</li><li>B) Certified Bank Data Channel</li><li>C) Central Blockchain Digital Code</li><li>D) Centralized Bank Discount Card</li></ol></li><li>11. Buy Now Pay Later (BNPL) is an example of:</li></ol>	
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	<p>A) Traditional banking loan B) Blockchain-based system C) Embedded finance D) Stock investment tool</p> <p>12. What regulatory challenge is faced due to increasing use of Buy Now Pay Later (BNPL) platforms? A) Currency conversion B) Interest rate misalignment C) Risk of customer over-indebtedness D) Difficulty in mobile banking access</p> <p>13. Which one of the following is NOT a product under NPCI? A) BHIM B) Ru pay C) UPI D) SWIFT</p> <p>14. What type of payment instrument is a debit card? A) Prepaid B) Credit-based C) Immediate debit to bank account D) Postpaid</p> <p>15. Which of the following technologies is being explored to make cross-border payments faster and cheaper? A) Blockchain B) Fax C) USB D) Cheque truncation</p> <p>16. One major regulatory challenge in payment systems is: A) Lack of mobile devices B) Inadequate electricity supply C) Ensuring data privacy and security D) Too many physical bank branches</p>	
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