

Reg. No. : .....

Name : .....

**Eighth Semester B.A. LL.B./B.Com. LL.B/B.B.A. LL.B.  
(Five Year Integrated) Degree Examination, August 2022**

**Paper I – BANKING LAW  
(Prior to 2020 Admissions)**

Time : 3 Hours

Max. Marks : 80

I. Explain any **five** of the following. Each question carries **2** marks each. (Answer shall not exceed **50** words each)

1. Garneshee order
2. Negotiable Instrument
3. Explain the term Cheque
4. Holder in due course
5. Noting and Protest
6. What is Bank Nationalisation?
7. Write note on Banker's Lien.

**(5 × 2 = 10 Marks)**

II. Explain any **four** of the following. Each question carries **4** marks. (Answer shall not exceed **120** words each).

1. Rights of Holder in due course
2. Modes of Crossing

P.T.O.

3. Essential ingredients of a Promissory note.
4. Banker's duty towards a Minor's Account.
5. Pre requisites for opening a Bank account.

**(4 × 4 = 16 Marks)**

III. Answer any **four** of the following. Each question carries **6** marks.

1. A was an agent of B and the agency was informed to B's Bank. B had given A the authority to draw bills of Exchange specifically; using this authority A endorses Bills of exchange. The bank accepts the endorsed bills and makes payments duly. Later, B files suit for damages against the bank. Discuss the position of the bank.
2. A owes B three debts viz., Rs. 500/-, 10,000/-, Rs. 5,000. Subsequently A pays Rs. 4,000/- to B with instruction to appropriate the payment towards the third debt. Discuss whether Creditor can exercise discretion in which account to appropriate.
3. A Garnishee order was received by the bank/branch in the name of one Mr. X. The account in the branch was in the joint name of Mr. X and Mr. M, The balance in the account on date was Rs. 15,000/-. On the same day in clearing a cheque for Rs. 5,000/- issued by Mr. M came for clearing. Advice Bank/Branch.
4. Mrs. had a locker with bank where she kept safe custody of her jewellery. Subsequently, she defaulted payment of a Housing loan and the account was declared NPA (Non Performing Asset as per RBI directives). The bank initiated legal proceedings. Can the bank exercise banker's lien on the jewellery in the locker (safe custody of the bank).
5. A draws a crossed 'A/c Payee' cheque in favour of B. The cheque is stolen by C from house of the B and later presented in the bank. Advice Bank with regard to payment of Cheque.

**(4 × 6 = 24 Marks)**

IV. Answer any **three** of the following. Each question carries **10** marks.

1. Explain the Rule in Clayton's case.
2. Throw light on Customer's duties and obligations towards the bank
3. State the history and growth of banking in India.
4. Statutory protections to collecting Banker – discuss.

**(3 × 10 = 30 Marks)**

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