

Reg. No. : .....

Name : .....

**Eighth Semester B.A. LL.B./B.Com. LL.B./B.B.A. LL.B.  
(Five Year Integrated) Degree Examination, September 2019**

**Paper – I — BANKING LAW**

Time : 3 Hours

Max. Marks : 80

**PART – I**

Answer **any five** questions. **Each** question carries **2** marks. Answer should not exceed **50** words.

1. (a) Distinguish between cheque and promissory note.
- (b) Define Endorsement.
- (c) Distinguish between general crossing and special crossing.
- (d) Enumerate the difference between Holder in due course and Holder for values.
- (e) What are the different kinds of cheques? Explain.
- (f) Explain the rules relating to dishonour of cheques.
- (g) Write short note on safe custody deposit.

**(5 × 2 = 10 Marks)**

**PART – II**

Answer **any four** of the following. **Each** question carries **4** marks. **Each** answer should not exceed **120** words.

2. (a) Explain the rule in claytons case.
- (b) Describe bankers position regarding forgery of signature.



- (c) Describe Bank Nationalisation Case.
- (d) Distinguish between holder and holder in due course.
- (e) Define Drawee in case of Need and Give the Essentials.

(4 × 4 = 16 Marks)

### PART – III

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

3. (a) Mr. X Stole a cheque and the account was opened. The proceeds were withdrawn by the account holder who had not been introduced to the bank. The true owner Mr. Y claimed the amount. State whether the bank is liable.
- (b) Mr. X, a partner of the firm borrowed Rs. 2 lakhs on the strength of a promissory note. State whether the other partners are liable.
- (c) Mr. A, a customer's pass book showed a credit balance of 70-17-9 and accordingly he drew a cheque on the ground of inadequate balance. The banker dishonoured. Mr. A filed a case. Decide.
- (d) A, the payee of a bill for Rs. 1,000, endorses it in favour of X for Rs. 500 and Y for the remaining 500. X and Y claims the amount. Decide.
- (e) A cheque was torn into four pieces by Mr. A and thrown away and new cheque was drawn which was paid. The torn cheque thereafter presented was neatly pasted though dirty and drawee bank paid the same. Discuss whether the drawee bank is legally protected.

(4 × 6 = 24 Marks)



PART – IV

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

4. (a) Once a bearer cheque Always a bearer cheque. Explain.
- (b) Explain the recent development in banking practices.
- (c) Explain the powers of Reserve Bank to control banking operations in India.
- (d) Describe the different methods in wheel Party's in discharged from his liability under NI Act.

**(3 × 10 = 30 Marks)**

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