

Reg. No. :

Name :

**Eighth Semester B.A. LLB/B.Com LL.B./BBA. LL.B (Five Year Integrated)
Degree Examination, November 2020**

Paper I – BANKING LAW

Time : 3 Hours

Max. Marks : 80

PART – I

Answer **any five** of the following. **Each** question carries **2** marks. Answer should not exceed **50** words.

- (a) What is general lien?
- (b) Define gasncihu order.
- (c) Write short note on John-Pagets theory.
- (d) Distinguish between cheque and bill of exchange.
- (e) Define Holder in due course.
- (f) Distinguish between general crossing and special crossing
- (g) Mention the important central banking functions of Reserve Bank of India.

(5 × 2 = 10 Marks)

PART – II

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

- (a) Define endorsement. Explain the different kinds.
- (b) Explain the rule in Claytons case.
- (c) Explain the legal position relating to illiterate person and married woman in banking relation.
- (d) Once a bearer cheque always a leaser cheque. Explain.
- (e) What are the statutory protection available to paying banker.

(4 × 4 = 16 Marks)

PART – III

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

- (a) X, a rate collector had been in the habit of encashing cheques over the counter at the defendant bank for a number of years. However the account was opened by him one day he got account payee crossed cheque from the plaintiff and encashed with defendant bank plaintiff sues. Advise plaintiff.
- (b) X signs on instrument "I promise to pay Y or order 2000". State whether it is a valid Negotiable Instrument.
- (c) Mr. Y issued a cheque for Rs. 10,000/- but the banker enforced to honour the cheques. State Y is liable.
- (d) Y drew cheque in Y's favour. X's clerk forged Y's endorsement and negotiated cheque to Z who took them in good faith and for value. Z received payment of cheque. X claims to recover the amount. Decide.
- (e) X, a minor borrowed Rs. 10,000 on the strength of a promissory note from Mr. Y. Mr. X executed a promissory note. State whether Mr. X is liable to pay the amount.

(4 × 6 = 24 Marks)

PART IV

Answer **any three**. Each question carries **10** marks.

- (a) Explain the special features of relationship between banker and customer.
- (b) What are the statutory protection available to collecting banker.
- (c) In the light of Banking Regulation Act, 1948 Explain the role of Reserve Bank of India.
- (d) Explain the following:
 - (i) Minor
 - (ii) Joint account holders

(3 × 10 = 30 Marks)