

Reg. No. :

Name :

Eighth Semester B.A.LL.B/B.Com.LL.B/B.B.A.LL.B (Five Year Integrated) Degree Examination, July 2023

Paper I : BANKING LAW

(2011 Admission onwards)

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. Clayton's Rule
2. CRR and SLR
3. Nationalization of banks
4. Dishonour of cheque
5. NABARD
6. Nomination in Deposit accounts.
7. IDBI

(5 × 2 = 10 Marks)

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

1. Different modes of crossing.
2. Essential ingredients of a promissory note.
3. Banking Ombudsman.
4. Banker's Lien.
5. Principles of lending.

(4 × 4 = 16 Marks)

P.T.O.

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. Mrs.A 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).
3. P, an employee of a company misappropriates fund of the company .The company issues a letter to the bank to give details of the accounts of P. The Bank refuses to give details. Advice the Company.
4. A bank has exercised lien on jewellery kept under Gold loan by 'X' for the dues of Mr.X in Housing Loan. Can bank legal exercise lien of the gold jewellery in its custody? Explain the legal position.
5. A bank makes payment on a post dated cheque. The drawer has passed away a few days before the due date of cheque and bank receives official information from legal heirs regarding the same .But already payment has been made. Can bank debit the customer's account and recover the amount paid from the payee.

(4 × 6 = 24 Marks)

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

1. Elaborate on the history and growth of banking sector in India.
2. Elaborate on the role of Reserve Bank of India in the financial development of the country.
3. Examine and elaborate the salient features of the Banking Regulation Act.
4. Examine the rights and duties of the bank in relation in transactions with its customers.

(3 × 10 = 30 Marks)

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