



Reg. No. :

Name :

Eighth Semester B.A. LL.B./B.Com. LL.B./B.B.A. LL.B. (Five Year Integrated) Degree Examination, October 2017
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.

- Explain the term “Garnishee Order”.
- Explain the term “Exim Bank”.
- Who is a customer ?
- Define Promissory note.
- Describe “Net Banking”.
- Write short notes on “Demonetisation”.
- Explain “acceptance for honour”. **(5x2=10 Marks)**

PART – II

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

- Write short notes on Scheduled Banks.
- Explain the functions of Regional Rural Bank.
- Explain the rules relating to bankers’ lien.
- What are the precautions to be taken by a banker before he opens an account for a partnership ?
- Explain different kinds of endorsement. **(4x4=16 Marks)**



PART - III

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

- a) An instrument contains following terms. "I promise to pay B Rs. 15,000 on D's death, provided D leaves me enough to pay that sum". Decide the nature and validity of the instrument.
- b) A cheque is drawn and payable to 'X'. It is stolen and 'X's endorsement is forged. The banker pays the cheque in due course. Is the banker liable ?
- c) A bill of exchange is drawn and accepted for the accommodation of A, the payee. A endorses it away. The bill is dishonoured and A pays the amount of the bill. Can A sue the drawer or the acceptor ?
- d) B, by means of false pretence, obtained from C, a cheque crossed "not negotiable" took it to a bank (other than the drawee bank), which paid it. C sued the bank for conversion. How will you decide the case ?
- e) A is the payee and holder of a negotiable instrument. A endorses the instrument 'sans recourse' and transfers it to B, who endorses it to C, who in turn, endorses it to A. What is the right of A against B and C ? **(4×6=24 Marks)**

PART - IV

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

- a) Explain the functions of Reserve Bank of India.
- b) State the protection available to a Collecting Bank.
- c) What is the impact of nationalisation in the modern banking business in India ?
- d) Explain the liability of drawer in case of dishonour of cheque on the ground of insufficiency of fund. **(3×10=30 Marks)**