

BANKING LAW AND PRACTICE

(For those who joined in July 2003 and after)

Time : Three hours

Maximum : 100 marks

SECTION A — (4 × 10 = 40 marks)

Answer any **FOUR** questions.

All questions carry equal marks.

Answer not exceeding 1 page.

1. What are the obligations of a banker towards his customer?
2. Discuss the legal position of a banker regarding fixed deposit.
3. Define a cheque and bring out its salient features.
4. What is meant by crossing? What are various types of crossing?
5. What is payment in due course? What are its

6. Discuss the legal aspects of entries in a pass book.

7. Explain the special features of a negotiable instruments.

8. What are the duties of a collecting banker?

SECTION B — (3 × 20 = 60 marks)

Answer any **THREE** questions.

All questions carry equal marks.

Each answer should not exceed 3 pages.

9. “The relationship between a banker and customer is primarily that of a debtor and creditor”. – Discuss.

10. Who is an Endorsement? Explain the essentials of a valid endorsement.

11. Enumerate the instances in which a collecting banker in India may lose his statutory protection on the ground of negligence.

12. Explain the various types of securities against which a banker grant advances.

13. Define bill of exchange and state its essentials? How does it differ from a promissory note?

14. What precautions should a banker take while opening current accounts in the names of a (a) Joint Account (b) Executors and Administrators.
