



KERALA AGRICULTURAL UNIVERSITY
B. Sc. (Hons.) C & B 2018 Admission
II Semester Final Examination-August-2019

Bank.1203

Banking Law and Practice (1+1)

Marks: 50
Time: 2 hours

I Fill in the blanks **(10x1=10)**

- 1 Documentary bills may be andbills.
- 2 The Banking Regulation Act was made applicable to cooperative societies in the year.....
- 3 A promissory note with.....andcharacteristics can be issued by Central banks only.
- 4 Provisions regarding opening of New branches and Reserve fund are given in and sections of B.R.Act.
- 5 The instruction given by the drawer of a cheque to the drawee to stop payment of that cheque is known as.....
- 6 In the absence of any appropriation made by the debtor or creditor, the Rule incase applies.
- 7 Garnishee order is issued in two parts as..... and
- 8endorsement converts an order instrument in to a bearer instrument.
- 9 In the case of default under mortgage by conditional sale, the mortgagee can only sue for his right to.....
- 10 Contracts of guarantee may be either.....or.....

II Write short notes on ANY FIVE of the following **(5x2=10)**

- 1 What were the objectives of Banking Companies Act 1949?
- 2 Write the bank licensing policy followed by RBI since 2013.
- 3 List out the provisions of BR Act on maintenance of cash reserve of commercial banks.
- 4 What are the advantages of printed forms of cheque?
- 5 Bring out the capital requirements of Banking companies operating in India.
- 6 List out the nature of complaints dealt by Banking Ombudsman.
- 7 Define pledge and hypothecation.

III Answer ANY FIVE of the following **(5x4=20)**

- 1 Differentiate Bill of Exchange and cheque.
- 2 Define crossing and bring out the legal significances of different types of crossing.
- 3 What are the presumptions to negotiable instruments?
- 4 Discuss the position of collecting banker and statutory protection available to them.
- 5 What are the steps taken by a prudent banker in opening account in the name of married woman, clubs and associations?
- 6 Explain the rights and duties of surety and principal debtor in a contract of guarantee.
- 7 What is wrongful dishonor? Write the consequences of wrongful dishonor.

IV Write an essay on ANY ONE of the following **(1x10=10)**

- 1 Explain the different types of mortgages and write the precautions to be observed by a banker while creating charge against mortgage.
- 2 Discuss the general and special relationship between banker and customer.
