



**KERALA AGRICULTURAL UNIVERSITY**  
**B.Sc. (Hons.) C & B 2017 Admission**  
**III Semester Final Examination- January-2019**

**Bank.2103 Banking law and practice (2+1)**

**Marks: 50**  
**Time: 2 hours**

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

- 1 A banker's Lien is always a -----lien.
- 2 MICR stands for-----
- 3 -----case, deals with the appropriation of payment.
- 4 -----has the right to countermand a cheque.
- 5 Certifying a cheque good for payment is. -----

**State True or False**

- 6 Maintenance of secrecy is an absolute obligation.
- 7 A current account can be opened in the name of a minor.
- 8 A document which contains a forged endorsement is called a forged instrument.
- 9 Partial endorsement is not valid.
- 10 Any holder can cross a cheque.

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

- 1 NEFT
- 2 CIBIL.
- 3 Negotiation.
- 4 Material alteration.
- 5 Capital adequacy ratio.
- 6 Gross negligence.
- 7 Restrictive endorsement.

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

- 1 Factors not affecting negotiability.
- 2 Differences between overdraft and cash credit
- 3 Powers of ombudsman.
- 4 Rights of a banker.
- 5 Modes of charging securities.
- 6 Differentiate guarantee and indemnity.
- 7 Differentiate promissory note and bill of exchange.

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

- 1 Special customers of a bank. (Any five)
- 2 Negotiable instruments by statute.

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