

(6 pages)

Reg. No. :

Code No. : 32115 E Sub. Code : CMBF22/
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B.Com. (CBCS) DEGREE EXAMINATION,
APRIL 2023.

Second Semester

Banking and Finance/Banking and E – Commerce –
Core

BANKING LAW AND PRACTICE

(For those who joined in July 2021 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Services rendered by a banker not only to his customers, but also to the general public are called as _____
- (a) Principal services
 - (b) Agency services
 - (c) General utility services
 - (d) Social services

2. Bankers' bank in India is _____
- (a) RBI
 - (b) RRB
 - (c) IDBI
 - (d) IFCI
3. Cheque is payable on _____
- (a) Demand
 - (b) Usage
 - (c) Fixed future date
 - (d) After sight
4. Time deposit is also called _____
- (a) Saving deposit
 - (b) Current deposit
 - (c) Recurring deposit
 - (d) Fixed deposit
5. A collecting banker is given the statutory protection only when he acts as _____.
- (a) a holder
 - (b) an agent
 - (c) a holder for value
 - (d) a holder in due course



6. A pledge can be made in respect of _____
(a) building (b) shares
(c) motor car (d) book debts
7. Businessmen prefer _____
(a) Loan (b) Overdraft
(c) Cash Credit (d) All the above
8. The rate at which RBI discounts approved bills is
(a) Bank rate (b) Interest rate
(c) Exchange rate (d) Discount rate
9. KYC means _____
(a) Know Your Card
(b) Know Your Cost
(c) Know Your Customer
(d) Know Your Creditor
10. NEFT refers to _____
(a) National Electronic Fund Transfer
(b) Neutral Electronic Fund Transfer
(c) Nominal Electronic Fund Transfer
(d) Natural Electronic Fund Transfer

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).
Each answer should not exceed 250 words.

11. (a) Under what circumstances Banker-Customer relationship is terminated?
Or
(b) What do you mean by 'lien as an implied pledge'?
12. (a) Explain the characters of negotiable instruments.
Or
(b) State the various types of endorsement.
13. (a) Explain the statutory protection as to collecting banker.
Or
(b) Under what circumstances a cheque may be dishonoured.
14. (a) What are the characteristics of a mortgage?
Or
(b) Explain the different kinds of overdraft.



15. (a) What are the advantages of core banking system?

Or

(b) How NEFT differs from RTGS.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b)
Each answer should not exceed 600 words.

16. (a) Describe the different special types of customers.

Or

(b) What are the Exceptions to the Right of General Lien?

17. (a) Enlist the salient features of a cheque.

Or

(b) Define material alteration. Explain with examples.

18. (a) Discuss in detail the statutory protection granted to a paying banker in India.

Or

(b) Explain with reference to the reliant provisions, the duties and liabilities of a collecting banker.

Page 5 Code No. : 32115 E

19. (a) Describe the different kinds of loans and advances.

Or

(b) Describe the general principles governing secured advances.

20. (a) Explain the recent advancements in banking technology.

Or

(b) Describe the different forms of electronic delivery channels.

Page 6 Code No. : 32115 E

