

Total number of printed pages-4

21 (Sem-7) BKLW

2016

**BANKING LAW**

Paper : 7-4

Full Marks : 80

Time : Three hours

**The figures in the margin indicate full marks for the questions.**

1. Fill in the blanks with appropriate options given in the bracket : 1×10=10
  - (i) The word bank is derived from the Italian word \_\_\_\_\_. (Banque/Banco)
  - (ii) The headquarter of the Reserve Bank is located at \_\_\_\_\_. (Mumbai/Delhi)
  - (iii) A banking company is defined in section \_\_\_\_\_ of the Banking Regulation Act. [5(c)/5(b)]
  - (iv) Section \_\_\_\_\_ of the Banking Regulation Act, 1949 prohibits the banking company from engaging directly or indirectly in trading activities and undertaking trading risks. (8/9)

Contd.

(v) \_\_\_\_\_ can rightly be termed as the home of unit banking system. (USA/England)

(vi) The person who makes or executes a promissory note is called as the \_\_\_\_\_. (drawer/maker)

(vii) A banker's wrongful dishonour of a minor's cheque will be liable in the same way as in the case of a major. (True/False)

(viii) The person appointed to operate the account after his death by the deceased himself before his death, is called as \_\_\_\_\_. (executor/administrator)

(ix) Right of Appropriation first lies with the \_\_\_\_\_. (debtor/creditor)

(x) An illiterate person can open an account with the bank. (True/False)

2. Answer in short :  $2 \times 5 = 10$

(a) Mention two functions of Branch Banking.

(b) Define 'Banking' according to Banking Regulation Act, 1949.

(c) Mention two characteristics of Negotiable Instrument.

(d) Who is a Banker?

(e) Write two differences between contract of Indemnity and Guarantee.

3. Write elaborately about the evolution of Banking Institution since ancient times. 12

OR

Write notes on :  $6+6=12$

(i) Organizational structure of RBI

(ii) Functions of Central Bank.

4. Explain the powers of Reserve Bank according to The Banking Regulation Act, 1949. 12

OR

Write notes on :  $3 \times 4 = 12$

(a) Reserve Fund

(b) Constitution of Board of Directors of a Banking Company

(c) Winding up of a Banking Company.

5. Distinguish between :  $6+6=12$

(i) Cheque and Bill of Exchange

(ii) Promissory Note and cheque.

**OR**

Write on :

3×4=12

(a) Cheque

(b) Bill of Exchange

(c) Promissory Note.

6. Explain elaborately about the general relationship between a Banker and a Customer. 12

**OR**

Write notes on :

6+6=12

(a) Rights of a Banker

(b) Obligations of a Banker.

7. Explain about the special types of Banker's customer. 12

**OR**

Write notes on :

3×4=12

(a) Charge

(b) Mortgage

(c) Pledge.

---