

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI****END-OF-SEMESTER EXAMINATIONS : MAY-2025****B.COM-BPS(SF)****MAXIMUM MARKS: 75****SEMESTER-II****TIME : 3 HOURS****PART - III****24UBP2A2 Banking Law and Practice****SECTION – A (10 X 1 = 10 MARKS)****ANSWER THE FOLLOWING QUESTIONS. (K1)**

1. To constitute a person as a customer \_\_\_\_\_
  - a) There must be a single transaction of any nature
  - b) There must be a dealing of a banking nature
  - c) There must be some sort of an account
  - d) There must be a frequency of transactions
2. The rate of interest payable on various deposits is determined by the: \_\_\_\_\_
  - a) Head office of each bank
  - b) Central Government
  - c) Reserve bank of India
  - d) Indian banks Association
3. A cheque bearing the date 30th April,2024 is presented for payment on 5th May 2024, as per the practice \_\_\_\_\_
  - a) The cheque should be dishonoured with the remark 'non-existing date'
  - b) The cheque is returned with the remark 'irregularly drawn'
  - c) The cheque is dishonoured with the remark 'not valid'
  - d) The cheque can be honoured
4. Key loans are usually allowed on \_\_\_\_\_
  - a) Buildings b) Goods under safe custody c) Goods in transit d) Goods for sale
5. Out of the following, which is a fee based product?
  - a) Mutual Fund sale b) Personal Loan c) Education Loan d) Vehicle Loan

**ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES (K2)**

6. Who is Banker?
7. What is Savings Account?
8. Expand the term KYC. (CONT....2)

9.What is meant by the term cash credit?

10.Who is called a surety?

**SECTION – B** **(5 X 5 = 25 MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K3)**

11. a) Comment on the banker's implied obligation to maintain the secrecy of the customer's account.

**(OR)**

b) What are the special features of RBI?

12 a) Describe the special types of customers of a bank.

**(OR)**

b) Differentiate General Lien from Specific Lien.

13. a) Bring out the significance of General Crossing and Special Crossing.

**(OR)**

b) Mention the duties of a cheque holder

14. a) Differentiate between pledge and mortgage.

**(OR)**

b) Discuss the principles of sound lending.

15. a) What are the general principles of secured advances?

**(OR)**

b) How does a letter of credit help the sellers?

**SECTION – C**

**(5 X 8 = 40 MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K4 (Or) K5)**

16. a) Explain the general relationship of banker and a customer. **(OR)**

b) Describe the role of the Banking Regulation Act 1949.

17. a) State the procedures to be followed for opening of a savings bank account. **(OR)**

b) Point-out the duties and obligations of Paying Bankers and collecting bankers.

18. a) Defend the various types of Endorsements. **(OR)**

b) Under what circumstances can the paying banker dishonor a cheque?

19. a) Analyse the factors influencing the lending decision of commercial banks. **(OR)**

b) Explain the differences between Pledge and Hypothecation.

20. a) Discuss the Different types of Letter of Credit **(OR)**

b) Justify the bill discounting process practiced in commercial banks.