



B.Com. (Semester – V) Examination, October/November 2017
BANKING AND FINANCIAL SERVICES (New Course)
Major – III : Law and Practice of Banking – I

Duration : 2 Hours

Total Marks : 80

Instructions : 1) *Figures to the **right** indicate maximum marks.*

2) *Answer questions **1** and **2** must be of **100** words and **3** to **6** of **400** words approximately.*

3) **All questions are compulsory.**

1. Answer briefly **any four** of the following : **(4×4=16)**
 - a) Technical feasibility in term loan financing.
 - b) Margin.
 - c) Profitability and safety principles of lending.
 - d) Attestation of documents.
 - e) Balance confirmation letter.
 - f) Precautions in documentation.

2. Answer briefly **any four** of the following : **(4×4=16)**
 - a) Any 4 features of contract of Guarantee.
 - b) Bankers right of setoff.
 - c) Supply bills as a security.
 - d) Debt Recovery Tribunal.
 - e) FEMA.
 - f) Risks in accepting land and building as a security.

3. A) Explain the following borrowing facilities. **12**
 - a) Bridge loans
 - b) Cash credit
 - c) Bills discounting.

OR

- B) What is a Working Capital Finance ? Explain its objectives, advantages and disadvantages.



4. A) What is a Mortgage ? Explain the equitable mortgage and its advantages and drawbacks.

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OR

- B) What is a Pledge ? Explain the rights and duties of a pledgee.

5. A) What are the precautions a banker should take while accepting land and building as a security ?

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OR

- B) Outline the features of bill of lading and warehouse receipts and explain the general precautions while lending against these documents.

6. A) Explain role of RBI in supervision and control of Commercial Banks.

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OR

- B) Explain the different types of stamps and their importance in documentation.
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