



SUY – 18

B.Com. (Semester – V) Examination, October/November 2018

BANKING AND FINANCIAL SERVICES

Major – III : Law and Practice of Banking – I

Duration : 2 Hours

Total Marks : 80

Instructions : 1) **All questions are compulsory, internal choice is available.**

2) **Answer sub-questions in questions 1 and 2 in not more than 100 words each.**

3) **Answer questions from question 3 to 6 in not more than 400 words each.**

4) **Figures to the right indicate maximum marks.**

1. Answer **any four** of the following :

(4×4=16)

- a) Participation loans
- b) Effects of non-registration of documents.
- c) Principle of sound lending.
- d) Different types of stamps.
- e) Power of attorney.
- f) Discounting of bills.

2. Answer **any four** of the following :

(4×4=16)

- a) Features of a Bill of lading.
- b) Foreign Exchange Management Act (FEMA)
- c) Advantages and disadvantages of goods as a security for loans.
- d) Characteristics of hypothecation.
- e) Debt recovery Tribunal
- f) Main provisions of the Banking Regulation Act, 1949.

3. A) Explain the features and functioning of a letter of credit and describe its advantages to the beneficiary and importer.

12

OR

B) Outline the characteristics of working capital and explain its operating cycle.

12

P.T.O.



4. A) List the different documents used for loans against title to goods and explain the precautions a banker must take while lending against title to goods. 12

OR

- B) What is a mortgage ? Explain any three types of mortgages. 12

5. A) Explain :

- i) The features of guarantee
- ii) The rights of the guarantor
- iii) Discharge of surety.

12

OR

- B) What are the precautions a bank must take while lending against land and building as security. 12

6. A) What is documentation ? Outline the precautions that a banker must take with reference to documentation. 12

OR

- B) Explain the process of registration and execution of documents. 12



4. A) List the different documents used for loans against title to goods and explain the precautions a banker must take while lending against title to goods. 12

OR

- B) What is a mortgage ? Explain any three types of mortgages. 12

5. A) Explain :

- i) The features of guarantee
- ii) The rights of the guarantor
- iii) Discharge of surety.

12

OR

- B) What are the precautions a bank must take while lending against land and building as security. 12

6. A) What is documentation ? Outline the precautions that a banker must take with reference to documentation. 12

OR

- B) Explain the process of registration and execution of documents. 12