

B.Com. (Semester – VI) Examination, April 2018
Major – III : BANKING AND FINANCIAL SERVICES
Law and Practice of Banking – II
(New Course)

Duration : 2 Hours

Total Marks : 80

- Instructions :** 1) **All questions are compulsory.**
 2) Answer question 1 and 2 in **not more than 100 words.**
 3) Answer question 3 to 6 in **not more than 400 words.**
 4) Figures to the **right** indicate **maximum** marks.

1. Write short notes on **any four** of the following : **(4×4=16)**
- Bankers' Lien.
 - Banker as a trustee.
 - RBI guidelines to prevent frauds.
 - Terror funds.
 - Bank closing a customer's account.
 - Money laundering.
2. Write short notes on **any four** of the following : **(4×4=16)**
- HUF as a bank customer.
 - KYC and 'Customer Acceptance Policy'.
 - Special crossing of a cheque.
 - Holder in due course.
 - Clean bill Vs. documentary bill.
 - Nomination facility.
3. A) Explain the following rights of the banker. (i) Right of set off and (ii) Right to appropriate payment (Rule in Clayton's case). **12**

OR

- B) Explain the circumstances under which a banker must dishonour a customer's cheques. **12**

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4. A) Explain the features of a cheque and outline the important items required in the proper drawing of a cheque. 12

OR

- B) What is endorsement ? Explain the different types of endorsement. 12

5. A) What is material alteration of cheques and its effects ? Give examples. Outline the duties of a banker with regard to it. 12

OR

- B) Who is a collecting banker ? Outline the duties and the precautions to be taken by a collecting banker. 12

6. A) Explain the banker's duty and the precautions he needs to take in dealing with the account of a partnership firm. 12

OR

- B) What are KYC norms ? Explain 'monitoring' of a customer's transactions and risk categorisation guidelines of KYC. 12