

**B.Com. DEGREE EXAMINATION, APRIL 2020**  
**II Year III Semester**  
**Banking Theory Law and Practice**

**Time : 3 Hours**

**Max.marks :75**

**Section A** ( $10 \times 2 = 20$ ) Marks

Answer any **TEN** questions

1. What are the 3 major functions of RBI ?
2. Write note on "Moral Suave".
3. What is a clearing house ?
4. State the main features of current Account.
5. State the different types of loans.
6. Who is a minor customer ?
7. What is a passbook ?
8. Who is a collecting banker ?
9. What is countermanding Order ?
10. What is cash credit ?
11. Define assignment .
12. Explain the principles of sound lending.

**Section B** ( $5 \times 5 = 25$ ) Marks

Answer any **FIVE** questions

13. What are the various advantages of E-Banking ?
14. Explain the provisions of the Banking Regulations Act, 1949 relating to branch expansion.
15. "Central Bank is the custodian of Foreign Exchange" Explain.
16. Draw a specimen of 'Fixed Deposit Receipt' and discuss its features .
17. What are the essential requisites of a valid cheque ?
18. What is Endorsement ? What are the different kinds of endorsement ?
19. What are the general principles of secured advances ?

**Section C** ( $2 \times 15 = 30$ ) Marks

Answer any **TWO** questions

20. "Banks can lend no more than what they can borrow from the public." –Discuss.
21. What do you mean by secrecy of customers account ? Under what circumstances the banker is justified in disclosing the customer secrecy ?
22. Explain the different form of crossing.
23. Explain the general precautions to be taken by a bank while lending:
  - (a) Life Insurance Policies
  - (b) Goods or documents of title to goods
  - (c) Real estates.

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