

UL34E07 - Banking Law

Time : Three Hours



Max. Marks : 80

Notes :

1. All questions are compulsory.
2. All questions carry equal marks.
3. Write case laws wherever necessary.

1. Discuss the evolution of banking system in India. Also point out the historical traces of banking system.

OR

Describe the structure of the banking system in India in present days. What is the significance of banking sector in the economic development of the country?

2. “Banker and customer relationship is based on trust”. Explain the statement with the help of kinds of relationship they share.

OR

“Lending is the source of credit creation. Explain the statement with the help of principles of good lending. What do you understand by pledge?

- 3.** Explain the salient features and scope of Banking Regulation Act, 1949.

OR

Discuss the function of central bank as a banker's bank and as banker, an agent and advisor to the Government.

4. Discuss the procedure of recovery of loan under the Recovery of Debts due to Banks and Financial Institutions Act, 1993.

OR

Write short note on-

- a) Banking Ombudsman. b) Surty's Rights and Liabilities.

5. 'Mr. Khan promised to pay Rs. 50,000 and all other sums which shall be due to him as early as possible'.

- Is it a promissory note?
- Does it fulfill the definition of the Negotiable Instruments Act Section 4?

OR

State, giving reasons, whether the following instruments are valid promissory notes under Negotiable Instruments Act.

- a) X promises to pay Y, by a promissory note, a sum of Rs. 5,000, fifteen days after the death of B.
- b) X Promises to Pay Y, by a promissory note, Rs. 500 and all other sums, which shall be due.
