



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF LAW
END TERM EXAMINATION - JAN 2023**

Semester : SEMESTER - IX - 2018

Course Code : LAW311

Course Name : Sem IX - LAW311 - Banking Law

Program : LLB (All)

Date : 11-JAN-2023

Time : 1.00PM - 4.00PM

Max Marks : 80

Weightage : 40%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.

PART A

ANSWER ALL THE FOLLOWING QUESTIONS

5 X 2 = 10M

1. Explain different forms of lending.
(CO2,CO4,CO3,CO1) [Knowledge]
2. What is endorsement? Explain types of endorsement.
(CO2,CO1,CO3,CO4) [Knowledge]
3. Discuss the powers of Reserve Bank of India over non- banking companies.
(CO1,CO2,CO4,CO3) [Knowledge]
4. State the advantages and disadvantages of information technology in banking.
(CO3,CO4,CO2,CO1) [Knowledge]
5. Write a short note on Credit control.
(CO3,CO1,CO2,CO4) [Knowledge]

PART A

ANSWER ALL THE FOLLOWING QUESTIONS

3 X 10 = 30M

6. What are the important documents banks generally obtain for each liability (loan) created? Mention period of each type of documents before it is time barred. As a consultant to the bank what guide lines you should provide to the bank to prevent the document to become time barred?
(CO1,CO2,CO4,CO3) [Comprehension]

7. In the year 1935 Reserve Bank of India Act was framed and after independence the Banking Regulation Act 1949 was created. Describe the reasons of this change and important provisions built in it. Explain how this Act is going to strengthen the banking system in India.
(CO1,CO2,CO4,CO3) [Comprehension]
8. Ram, Rahim and Robert are three partners in a firm. They informed the bankers that Ram and Rahim will operate the firm's current account. Can the banker honor the cheque signed by Ram and Robert?
(CO2,CO3,CO4,CO1) [Comprehension]

PART C

ANSWER ALL THE FOLLOWING QUESTIONS

2 X 20 = 40M

9. Culpable negligence of a party may sometimes lead to a plea of estoppels against him. For this to arise, the negligence must be in the transaction itself and must be the proximate cause of the mistaken belief. This is very common in the case of a banker and the customer. Elucidate your answer with case relevant to the statement.
(CO1,CO2,CO3,CO4) [Application]
10. The defendant has the right to ask the Court to consider the non- existence of the consideration so probable that a prudent man ought, under the facts and circumstances of the case, to act upon the supposition that consideration did not exist. Justify the statement with the help of the associated case under the Negotiable Instrument Act, 1881.
(CO4,CO3,CO2,CO1) [Application]
