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**1204N037**

Candidate's Seat No : \_\_\_\_\_

**Int Law Sem.-7 Examination**

**IL-405**

**Principles of Banking Law & Nego. Instru. (New)**

**Time : 2-30 Hours]**

**April-2025**

**[Max. Marks : 70**

Q.1. Explain the constitution, management structure, and functions of the Reserve Bank of India as provided under various legislations/ statutes. [18]

**OR**

Q-1 (A) Discuss the provisions relating to Suspension of Business and Winding-up of the Banking Companies under the Banking (Regulation) Act, 1949. [10]

(B) Give an Overview of the types of banks in India along with an example of each type of bank. [08]

Q-2 Explain the legal provisions related to the dishonour of a cheque under the Negotiable Instruments Act, 1881, including the procedure for filing a complaint and the jurisdiction of courts in such cases. [18]

**OR**

Q-2 (A) What do you understand by negotiable instruments? Discuss the different types of negotiable instruments recognized under the law. [10]

(B) Discuss the provisions relating to Compounding of Offences under the Negotiable Instruments Act, 1881. [08]

Q-3 What is the relationship between a banker and a customer? Explain the rights and duties of both the banker and the customer in banking transactions. [18]

**OR**

Q-3 (A) Who is a 'Holder' and a 'Holder in Due Course' under the Negotiable Instruments Act, 1881? [10]

(B) Explain the different Kinds of Cheque [08]

(P.T.O)

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Q-4 (A) Short notes (Write any Two)

[10]

- (a) E-banking
- (b) SEBI (Merchant Banker) Regulations 1992
- (c) Negotiation
- (d) Crossing of Cheques

Q-4 (B) Multiple choice questions (Attempt all)

[06]

1. Which of the following is a function of commercial banks?

- A) Issuing currency
- B) Drafting monetary policy
- C) Accepting deposits
- D) Regulating stock markets

2. The Reserve Bank of India was established in which year?

- A) 1935
- B) 1949
- C) 1951
- D) 1969

3. Which of the following is NOT a function of the Reserve Bank of India?

- A) Controlling inflation
- B) Issuing licenses to stock exchanges
- C) Issuing currency
- D) Acting as banker's bank

4. Crossing a cheque ensures:

- A) Faster clearance
- B) Deposit only to a bank account
- C) Payment in cash
- D) Endorsement

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5. A 'holder in due course' is:

- A) The original drawer of the cheque
- B) Any person in possession of a cheque
- C) One who obtains it for value and in good faith
- D) A banker

6. Presentment of a negotiable instrument means:

- A) Drafting the document
  - B) Submitting it to the drawee or acceptor
  - C) Endorsing it
  - D) Publishing it
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- A) A number in the range 10
- B) The integral value of the ratio
- C) The value of the ratio of the two sides
- D) A constant

A) Perimeter of a regular hexagon

B) Doubling the diameter

C) Doubling the area of the circle

D) Doubling the radius

E) Doubling the circumference

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