



Seat No. : _____

MP-203

May-2025

LL.M., Sem.-II

411 EBL : Banking Law

Group C : Business Law

Time : 2:30 Hours]

[Max. Marks : 100

Instructions : Figures to the right side indicate full marks.

1. Explain the characteristics, objectives and importance of Central Bank. Describe the functions of the Reserve Bank of India as the Central Bank. 25

OR

1. "Acceptance of deposits and advancing loans are not the only functions of the Multi-functional Banks." Discuss this statement taking into consideration any one Multi-functional Bank of India. 25

2. Discuss in brief about the measures taken by the legislature and judiciary to take care of the credits given by innocent creditors in the event of dishonor of cheque. 25

OR

2. Define and explain the terms "Holder" and "Holder in due course". Discuss with appropriate illustrations and case laws the rights of Holder in due course under the Negotiable Instruments Act, 1881. 25

3. Discuss in detail the provisions relating to suspension and winding up of Banking Companies under the Banking Regulation Act, 1949. 25

OR

3. (a) Explain the constitution and functions of Deposit Insurance and Credit Guarantee Corporation of India and its significance thereof. 13
- (b) Bill of Exchange and Cheque : Meaning and Distinction. 12

4. (a) Explain any **two** from the following : **15**
- (1) Co-operative Banks : Powers and Functions
 - (2) Drawee and Drawee in case of need
 - (3) Repo rate and reverse repo rate and its effects on Banking Sector
 - (4) Negotiation and Negotiation Back
4. (b) State with reasons whether the following statements are true or false : **10**
- (1) As per the amendments in the Negotiable Instruments Act, 1881, the punishment for dishonour of cheque is imprisonment which may extend upto 1 year and fine which may extend to double the amount of cheque.
 - (2) NABARD is an agricultural bank.
 - (3) Payee of any Negotiable Instrument cannot become Holder in due course.
 - (4) When drawer of Bill of Exchange has specified Banker, Bill of Exchange is called Cheque.
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