

**PSG COLLEGE OF ARTS & SCIENCE**  
(AUTONOMOUS)

**BCom DEGREE EXAMINATION MAY 2017**  
(First Semester)

Branch - **COMMERCE (BANKING INSURANCE)**

**BANKING LAW**

Time : Three Hours

Maximum : 75 Marks

**SECTION-A (20 Marks)**

Answer **ALL** questions

**ALL** questions carry **EQUAL** marks (10 x 2 = 20)

- 1 What do you mean by money?
- 2 What is a co-operative bank?
- 3 What is meant by 'KYC'?
- 4 What is a Garnishee order?
- 5 What are secured loans?
- 6 State any two principles of sound lending.
- 7 What is endorsement?
- 8 who is a collecting banker?
- 9 write any two quantitative control measures taken by RBI.
- 10 What is meant by lender of last resort?

**SECTION - B (25 Marks)**

Answer **ALL** Questions

**ALL** Questions Carry **EQUAL** Marks (5 x 5 = 25)

- 11 a Write the various functions of banks.  
OR  
b Enumerate the significance of money.
- 12 a What are the precautions taken by a banker while opening an account in the name of a minor?  
OR  
b Distinguish between a current Account and a savings Bank Account.
- 13 a What are the different forms of bankers advances?  
OR  
b What precautions should banker take while lending against stock exchange securities?
- 14 a Write a note on holder in due course.  
OR  
b What are the characteristics of Negotiable Instrument.
- 15 a Briefly explain the various functions of RBI.  
OR  
b Explain the structure and organizational set up of RBI.

**SECTION - C (30 Marks)**

Answer any **THREE** Questions

**ALL** Questions Carry **EQUAL** Marks (3 x 10 = 30)

- 16 Explain the various types of banking.
- 17 Discuss the general and special relationship between a banker and a customer.
- 18 Explain the various modes of charging security.
- 19 What is crossing? Explain its different kinds with examples.
- 20 Explain the quantitative and qualitative credit control measures followed