

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

**BCom DEGREE EXAMINATION MAY 2018  
(Fifth Semester)**

**Branch - COMMERCE (RETAIL MARKETING)**

**BANKING LAW AND PRACTICE**

Time : Three Hours

Maximum : 75 Marks

**SECTION-A (20 Marks)**

Answer ALL questions

**ALL questions carry EQUAL marks (10x2=" 20)**

- 1 Explain about Debtor Creditor relationship in bank.
- 2 Who is called Minor?
- 3 Explain structure of Co-operative bank.
- 4 What do you mean by holder in due course?
- 5 Define Cheque.
- 6 List out any four foreign banks operating in India.
- 7 What is margin under Secured advances?
- 8 Define Mortgage.
- 9 Expand DEMAT.
- 10 Differentiate debit card and credit card.

**SECTION - B (25 Marks)**

Answer ALL Questions

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

- ! 1 a Explain the general relationship between banker and customer,

**OR**

- b Who is Minor? What are the precautions taken by the banker before opening the account in the name of minor?

- 12 a What are the speciality of Indigenous banker?

**OR**

- b How foreign banks are operating in India?

- 13 a Define Negotiable Instrument. Explain its types.

**OR**

- b Define material alteration. What are the effects of Material alteration?

- 14 a Explain the principles of Sound lending?

**OR**

- b Explain the difference between cheque and bills of exchange.

- 15 a Explain the operating mechanism of Credit card.

**OR**

- b Write a note on (a) Debit Card (b) Mobile Banking

**SECTION - C (30 Marks)**

Answer any THREE Questions

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

- 16 Explain the types of deposit in detail.
- 17 Explain the functions of RBI.
- 18 Write short notes on  
(a) Lien (b) Pledge (c) Hypothecation
- 19 Who is collecting banker? Explain the precautions taken by the collecting banker.