

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086.
(For candidates admitted during the academic year 2004-2005 & thereafter)

SUBJECT CODE : CM/MC/BP34

B.Com. DEGREE EXAMINATION NOVEMBER 2008
COMMERCE
THIRD SEMESTER

COURSE : MAJOR – CORE
PAPER : BANKING LAW AND PRACTICE
TIME : 3 HOURS
MAX. MARKS : 100

SECTION – A

ANSWER ALL QUESTIONS: (10 x 3 = 30)

1. Define the term 'Customer' of a bank.
2. What is a garnishee order?
3. Write a note on current account.
4. What are the features of NRSR Account Scheme?
5. What are the documents to be examined by the banker before opening an account in the name of a company?
6. Define endorsement.
7. Define 'Not Negotiable' Crossing.
8. What is a Stale Cheque?
9. What is material alteration?
10. Define Mortgage.

SECTION – B

ANSWER ANY FIVE QUESTIONS: (5 x 6 = 30)

11. Discuss the general relationship between a banker and his customer.
12. What are the circumstances leading to closure of Customer's account at the instance of the bank?
13. Write short notes on: a) Cash Credit System and b) Hypothecation.
14. Explain different kinds of endorsements.

15. What are the different types of crossing of Cheques?
16. What constitutes negligence on the part of a collecting banker?
17. What are the principles of sound lending?

SECTION – C

ANSWER ANY TWO QUESTIONS:

(2 x 20 = 40)

18. On what occasions is a banker justified in disclosing the state of his customer's account?
19. Discuss the precautions to be taken by the paying banker while making payment on his customer's cheques.
20. What precautions should a banker take while accepting the real estate as security for an advance?
21. What precautions should a banker take in opening an account in the name of a Partnership firm?

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