Il Semester B.Com. Examination, May 2016
(CBCS) (F+R) (2014-15 and Onwards)
COMMERCE
Paper – 2.5 : Banking Law and Operations

Time : 3 Hours
Max. Marks : 70

Instruction : Answer should be either in English or in Kannada.

SECTION – A

Answer any five questions. Each question carries two marks. (2x5=10)

1. a) What is a post-dated cheque?

b) Define the term customer.

c) What is Mortgage?

d) List out any two features of an overdraft.

e) What is Garnishee order?

f) Give the meaning of material alteration.

g) What is Non-performing Asset?

SECTION – B

Answer any three questions. Each question carries six marks. (6x3=18)

2. What is Banker’s Right of General Lien and when he can not exercise it?
3. Narrate any six significant reasons for the dishonour of cheques.
4. Briefly explain any six functions of paying banker.
5. Explain the different types of endorsement.
6. Write a note on the procedure to be followed in opening of an account in the name of a trust.

SECTION – C

Answer any three questions. Each question carries fourteen marks. (14×3=42)

7. Write the exceptions to banker’s obligations to maintain secrecy of his customer’s account.

8. Explain the precautions to be taken by the banker in opening and operating
   a) Minor’s Account
   b) Joint Account.

9. Write note on:
   a) Bank Overdraft
   b) Discounting of Bills of Exchange
   c) Letters of credit.

10. Briefly discuss any seven recent innovations in Banking Business.

11. Give the meaning of crossing. Explain the types of crossing.