

## 39-

# III Semester B.Com. Examination, November/December 2013 (New Syllabus) (2013-14 & Onwards) COMMERCE

3.5 : Banking Law and Operations

Time: 3 Hours Max. Marks: 100

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

#### SECTION - A

Answer any 10 of the following. Each question carries 2 marks:

 $(10 \times 2 = 20)$ 

- 1. a) Who is an executor?
  - b) What is Term Loan?
  - c) What is payment in due course?
  - d) Expand RTGS and MICR.
  - e) What is conversion?
  - f) What do you mean by material alteration?
  - g) Define a Promissory Note.
  - h) What is Garnishee Order?
  - i) What is mortgage?
  - j) Who is a customer?
  - k) What is special crossing?
  - 1) What is commercial letter of credit?

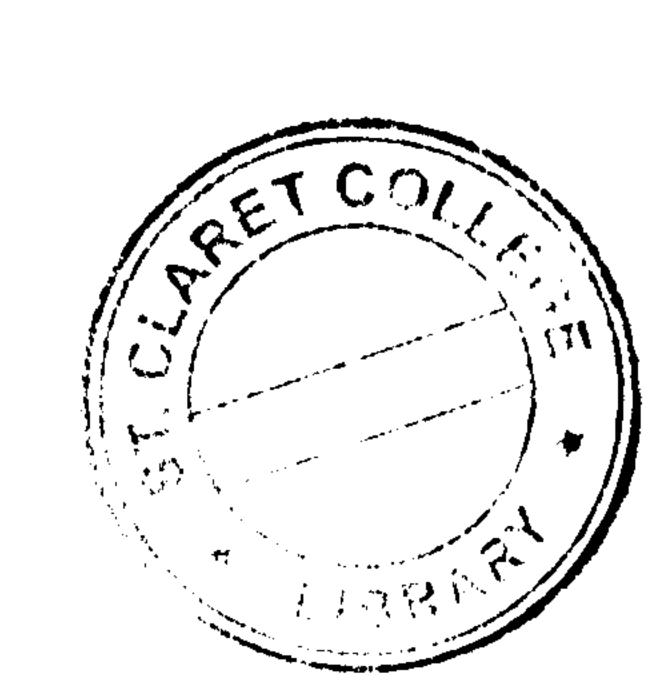
#### SECTION - B

Answer any 4 of the following. Each question carries 8 marks.

 $(4 \times 8 = 32)$ 

- 2. Explain the consequences of wrongful dishonour of a cheque.
- 3. What is NPA? Write the reasons and impact of NPA.
- 4. What is a Negotiable instrument? Explain its features.
- 5. Write the differences between overdraft and cash credit.
- 6. Who is collecting banker? What are the general duties of a collecting banker?

P.T.O.





### SECTION-C

Answer any 3 of the following. Each question carries 16 marks.

 $(3 \times 16 = 48)$ 

- 7. Explain the precautions to be taken by a paying banker.
- 8. Explain the various principles of sound lending.
- 9. Explain the general relationship between banker and customer.
- 10. Explain the precautions to be taken by the banker while opening the account of:
  - a) Minor
  - b) Partnership firm.