

PGDM & IB , 2017-19
Banking Law & Operations
DM-411/IB-407

Trimester – IV, End-Term Examination: September 2018

Time allowed: 2 Hrs 30 Min
Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

SECTION A

- A1. When and under which Act was the Reserve Bank of India established ? What are the various functions of RBI ?
- A2. Describe the various aspects of Banker Customer relationships.
- A3. What is the protection under Negotiable Instruments Act for a) The Collecting banker b) The paying banker.
- A4. What is the difference between gross and net settlements ? Explain with examples.
- A5. What is an irrevocable Letter of Credit ? What is the UCPDC?

SECTION B

- B1. What are the different types of mortgages available to a banker?
- B2. Explain the features of Insolvency and Bankruptcy Code. What are its advantages and negative issues based on cases presently before NCLT?
- B3. Explain the major features of the Information Technology Act. What are its plus and minus points.

SECTION C

As a branch manager how would you deal with the following cases (each carries 3 marks):

- i. Your customer sends a crossed order cheque drawn by A in favour of your bank for crediting it to his (the customer's) account with you.
- ii. D presents for encashment an uncrossed cheque payable to him or bearer and refuses to endorse the cheque. Will it make a difference if the amount is small?
- iii. A bill dated 29.1.2016 payable one month after date remains unpaid on 29.2.2016.
- iv. Smt. Radha P. Patel sends for credit to her account a cheque payable to Smt. R.P. Patel and endorsed by her as Smt. Radha Patel
- v. A firm having A,B and C as partners has an overdraft limit of Rs.100,000 with the Bank. A communication is received by the Bank that A has died on 20.4.2018. On 21.04.2018 two cheques for Rs.10,000 each, signed by the deceased partner on 18.4.2018 are presented for payment (there is overdraft of Rs.75,000 in the account).