



**B.Com. (Semester – VI) Examination, April 2015**  
**Major – III : BANKING AND FINANCIAL SERVICES**  
**Law and Practice of Banking – II**

Duration : 2 Hours

Total Marks : 80

- Instructions :** 1) **All questions are compulsory.**  
2) **Answer Question No. 1 and 2 in not more than 100 words.**  
3) **Answer Question No. 3 to 6 in not more than 400 words.**  
4) **Figures to the right indicate maximum marks.**

1. Write short notes on **any four** of the following : (4×4=16)
- a) Bank frauds
  - b) Right of set-off
  - c) Banker as Bailee
  - d) Steps to be taken by Banks for prevention of frauds.
  - e) Bankers right of assignment
  - f) Nomination facility.
2. Write short notes on **any four** of the following : (4×4=16)
- a) Bills of exchange.
  - b) Distinction between a cheque and a Bill of Exchange.
  - c) A stale cheque, a mutilated cheque.
  - d) Material alteration.
  - e) Special Endorsement
  - f) Closing of an account.
3. X) A Banker is legally obliged to maintain secrecy with regard to the state of his customers account. Discuss. 12
- OR
- Y) Explain Garnishee order, and the steps a banker has to take on receiving such an order relating to one of his customers. 12



4. X) Explain the precautions, to be taken by a banker, while opening account in the name of a partnership firm. 12

OR

- Y) What precautions, should a banker take while opening and conducting accounts in the names of minors. 12

5. X) Explain the rights and privileges of a holder in due course. 12

OR

- Y) Explain the following types of Endorsements :

- a) Blank Endorsement
- b) Conditional Endorsement.
- c) Facultative Endorsement.

6. X) Explain the duties and responsibilities of a collecting banker. 12

OR

- Y) Discuss the precautions to be taken by the paying banker before honouring cheques. 12