



# POORNIMA UNIVERSITY, JAIPUR.

MID SEMESTER EXAMINATION 2020-21 (ODD Semester)

School : School of Commerce & Management  
Course : III Year V SEM – B. Com  
Subject Name : Banking & Banking Law  
Subject Code : BCO05104\_BCH05104

Max. Time: 1.5 hrs.

Max. Marks: 12

NOTE:- Attempt four questions. There is internal choice in Q. 1 & 2, Q. 3 & 4, Q. 5 & 6 & Q. 7 & 8.

Sec-A (CO 3) (Max. Marks-6)			Marks
Q. 1	(a)	What is Base Rate and MCLR Which one is better and why?.	(2)
	(b)	Can right of lien be exercised by Bank in following circumstances. Reply in YES or NO: i) Where goods and services are entrusted to banks as trustee or agent (safe custody) ii) On all goods and securities acquired in the capacity of a Banker e.g. Security of loan iii) Loan to one person, securities are in joint name iv) On securities given against a loan, but the loan is not yet granted	(1)
OR			
Q. 2	(a)	Govt of India has increased deposit rate on small savings and post office savings by 75 bps. Will this call for an increase in rate of interest on fixed deposits by the Banks? If yes, what factors influence deposit rates of banks	(1.5)
	(b)	Can a Bank advise balance in the wife's account to her husband? Give answer with reasoning. Under what circumstances the information about a customer's account can be shared by Bank and with whom?	(1.5)
Q. 3	(a)	What precautions are taken by Bank while opening account of an illiterate? Can a cheque book and debit card be given to him?	(1)
	(b)	A has been given a specific power of attorney by B to operate his bank account, Can A open account in the name of B and operate it. If not, how the account of B can be opened. Also please explain can A take loan on behalf of B with this POA and make B liable for payment,	(2)
OR			
Q. 4	(a)	What options are available to a minor of 10 years to open bank account? Can he open account in his own name or jointly with someone. Explain in detail	(1.5)
	(b)	i) Bank has received a Garnishee order on Savings Bank account of A. Rent on locker taken by A is overdue. Can Bank recover the rent after receipt of garnishee order but before remitting the money? ii) Mohan deposits some amount in his account after receipt of garnishee order by the Bank. Can this amount be remitted by the Bank iii) Garnishee order is received in the name of A.. ABC & co. a partnership firm has a current account wherein A is a partner. Whether account of ABC & Co. can be debited to remit the money asked for in Garnishee order received in the name of A	(1.5)
Sec-B (CO 4) (Max. Marks-6)			
Q. 5		Describe the concept of Negotiability? What are effects of Negotiability? Whether Negotiability and Negotiation are same. If not what is the difference?	(3)
OR			
Q. 6		Describe Holder, Holder for Value and Holder in due course. What is the difference between Holder and holder in due course?.	(3)
Q. 7	(a)	Dishonour of a cheque on financial grounds is a punishable offence as per NI Act. It is covered under which section and what ingredients should be fulfilled to be able to make it a punishable offence	(2)
	(b)	What is stale cheque and post dated cheque. Can such cheques be paid by the Bank on presentation	(1)
OR			
Q. 8	(a)	What are the Rights & obligations of a person who had obtained an instrument by unlawful means and one who has obtained it without consideration	(1.5)
	(b)	Calculate and write the due date of a usance bill of exchange in following cases : i) Bill drawn by A on B on 11.1.2020 for 4 months payable after date, ii) Bill drawn by A on B on 11.1.2020 payable 30 days after sight . iii) Bill is due on 15 <sup>th</sup> August which is a holiday. The bill is payable on what date?	(1.5)