

Seat No: _____

Enrollment No: _____

PARUL UNIVERSITY
FACULTY OF COMMERCE
B.Com (Hons) Sem III
Mid Sem Internal Examination 2017

Semester : III

Subject Code : 16201204

Subject Name: Legal aspects of Banking

Date: 10/10/2017

Time: 8.00 to 9.30

Total Marks: 40

Instructions:

1. Attempt all questions from each section
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.

Q.1 (A) Choose the correct options from given below

(08)

1. Which of the following is called a banker's cheque?

- a. Demand draft
- b. Debit card
- c. Credit card
- d. Banker's draft

2. The place where bankers meet and settle their mutual claims and accounts is known as _____.

- a. Treasury
- b. Clearing House
- c. Collecting Centre
- d. Dumping House

3. Identify the punishable offence by a Bank Account holder?

- a. If the cheque is not crossed
- b. If a post dated cheque is issued
- c. If a cheque drawn by him is dishonored for insufficiency of funds in his account
- d. Issuing a cheque without a signature.

4. What is a cross cheque?

- a. Which can be encashed only by the drawee
- b. Which can be encashed only through a bank
- c. Which can be encashed only at the State Bank of India
- d. Which can be encashed only after it has been transferred to another person

5. What is the relationship of a banker & customer in case of goods left by the customer by mistake in the bank

- a. Bailee- bailor
- b. Lessor-lessee
- c. Creditor-debtor
- d. Trustee-beneficiary

6. The word Customer is defined in

- a. KYC guidelines issued by RBI
- b. BCSBI
- c. IBA
- d. Banking Regulation Act

7. A minor has a deposit account which is operated by his father & natural guardian. If the latter dies, who can receive the proceeds during the minority of the minor?

- a. Minor himself
- b. Grandfather
- c. Court appointed guardian
- d. None of these

8. A cheque is signed by two trustees of Trust. One of them expired before the cheque is presented for payment. What will the bank do?

- a. Stop the payment
- b. Pay the cheque
- c. Ask for court order
- d. Return the cheque

Q.2 Answer the following (Any 2 out of 3) (08)

- 1. State the basic rights for bank customers laid down by RBI.**
- 2. Write down the difference between cheque and bills of exchange.**
- 3. Explain the legal relationship between banker and customer.**

Q.3 What are the types of endorsements? (08)

Q.4 State the different types of cheques. (08)

Q.5 Explain the process of closing of a bank account. (08)
