

(N. B. : Figures to the right indicate full marks assigned to the questions.)

1. Answer in and more than **two** sentences :— 20
 - (a) Who is a holder in due course "as defined in". The Negotiable Instrument Act, 1881 ?
 - (b) What is "Payment in due course" in the N. I. Act ?
 - (c) What is the effect of an endorsement ?
 - (d) What is "Inland" and Foreign instrument ?
 - (e) Who is called "Acceptor" ?
 - (f) What is the definition of Reconstruction Bank" as defined in the Reserve Bank of India Act, 1934 ?
 - (g) Whether the Reserve Bank is liable to the payment of any stamp duty under the Indian Stamp Act, 1899 in respect of bank notes issued by it ?
 - (h) What are the restrictions imposed by the Banking Regulation Act, 1949 on the power of the bank to remit debts ?
 - (i) What is the definition of "unclaimed deposits" as per the B. R. Act, 1949 ?
 - (j) What is the qualification for appointment as "Presiding officer" of a Tribunal under the Recovery of Debts due to banks and Financial Institution Act, 1993 ?
2. Write short notes on any **four** :— 20
 - (a) Maturity of promissory note and bill of exchange and calculation thereof.
 - (b) Discharge from liability on promissory notes, bills of exchanges and cheques.
 - (c) Inchoate stamped instruments.
 - (d) "Recovery of Debts Due to Banks and Financial Institutions Act, 1993" its objective jurisdiction and procedure.
 - (e) Central Banking functions of Reserve Bank of India.
 - (f) Prohibition of trading by banks.
3. Answer the following by giving reasons (any **two**) :— 12
 - (a) State with reasons whether the following endorsements by 'B' on different negotiable instruments payable to bearer exclude the right of further negotiation :—
 - (i) "Pay the contents to 'C' only
 - (ii) "Pay 'C' for my use"
 - (iii) "Pay C".
 - (b) State with reasons whether the following instruments have been negotiated or not :—
 - (i) 'A' the holder of a negotiable instruments payable to bearer delivers it to 'B's agent to keep for 'B'.
 - (ii) 'A' the holder of a negotiable instruments payable to bearer which is in the hands of 'A's banker who is at the time banker of 'B' also, directs the banker to transfer the instrument to 'B's credit in the banker's account with 'B'. The bank does so ?
 - (iii) 'A' holder of a negotiable instrument payable to bearer keeps it in a drawer. 'B' without the knowledge of 'A' steals it.

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- (c) Analyse the Validity of the following under the relevant provisions of the Banking Regulation Act, 1949 :-
- (i) Reserve Bank issues a circular to all banks that they shall not charge interest over and above 12% p.a. on their housing advances.
 - (ii) District Court of Pune passes a decree against Dena Bank that the rate of interest charged by it is excessive.

4. Answer the following (any **four**) :—

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- (a) Define Bill of Exchange. What are the essential ingredients of a valid bill of exchange ? How does it differ from Promissory Note ? Compare Bill of Exchange, Cheque and Draft.
 - (b) Explain the circumstances when the banker is justified in refusing the payment of a cheque.
 - (c) Explain the various provisions relating to notice of dishonour of negotiable instruments by non-acceptance and non-payment. When such a notice of dishonour is unnecessary ?
 - (d) Discuss the various provisions of RBI Act, 1934 relating to :—
 - (i) Non-banking Financial Companies (NBFC) receiving deposits from public.
 - (ii) Prohibition of acceptance of deposit by unincorporated bodies.
 - (e) Discuss the provisions of the Banking Regulation Act, 1949 relating to :—
 - (i) Licensing of banking companies and their branches.
 - (ii) Licensing of Co. Op. (Urban) banks and their branches.
 - (f) Discuss the various provisions of Reserve Bank of India Act, 1934 and Banking Regulation Act relating to maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR).
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