

**FACULTY OF LAW**

**LL.B. (3-YDC) III Year V – Semester Examination, June 2014**

**Subject: LAW**

**Paper – III: Law of Banking and Negotiable Instruments**

**Time: 3 Hours**

**Max.Marks: 80**

**Note: Answer all questions. All questions carry equal marks.**

**PART – A (5x6 = 30 Marks)**

**Answer any Five of the following.**

- 1 Crossed cheque
- 2 Travellers cheque
- 3 Promissory Note
- 4 Fiduciary relationship
- 5 Banker's Drafts
- 6 Bank Guarantee
- 7 Holder in due course
- 8 Document of title to goods

**PART – B (2x15 = 30 Marks)**

**Answer any Two of the following.**

- 9 Explain the salient features of the Banking Regulation Act in India.
- 10 Explain the Banking Business and its importance in modern times in India.
- 11 Discuss the law relating to relationship in between Banker and Customer.
- 12 Explain the salient features of NI Act.

**PART – C (2x10 = 20 Marks)**

**Answer any Two of the following.**

- 13 'B' obtains A's acceptance to a bill by travel B indorses it to 'C' who takes it as a holder in due Course. C endorses the bill to 'D' who knows of the fraud. Can D recover from A?
- 14 A bill is drawn "Pay to 'A' or order the sum of one thousand rupees in margin the amount started is Rs. 100 (a) Is this a valid bill? (b) If so for what amount.
- 15 'C' of Hyderabad drew a bill on H of Hong Kong payable sixty days after sight the holder retained it for five months and when he ultimately presented it for acceptance. It was dishonoured. Will this delay discharge the prior parties?
- 16 'A' draws on 'B' a bill payable three months after sight. It passes through several hands before 'X' becomes its holder. On presentation by 'X', B refuses to pay. Discuss the rights of 'X' on the bill

....