



**LLB**  
**FIRST SEMESTER**  
**BANKING LAW**  
**LLB - 106 H<sub>1</sub> BL**  
**[USE OMR FOR OBJECTIVE PART]**

Duration: 3 hrs.

Full Marks: 70

**(Objective)**

Time: 30 min.

Marks: 20

**Choose the correct answer from the following:**

**$1 \times 20 = 20$**

1. Which of the following function is performed by banks?  
a. Accepting deposits      b. Lending money  
c. Currency exchange      d. All of the above
2. Which section of Banking Regulation Act, 1949 defines Banking?  
a. Section 2 (a)      b. Section 2 (b)  
c. Section 2 (c)      d. Section 2 (d)
3. Which of the following is not a function of RBI?  
a. Issuance of currency notes      b. Acting as government's bank  
c. Acting as custodian of foreign currency reserves      d. Dealing with general public directly
4. In which of the following years, RBI was nationalized?  
a. 1947      b. 1950  
c. 1949      d. 1952
5. Which of the following is the apex institution for financing development of agriculture and other economic activities in rural India?  
a. NABARD      b. IDBI  
c. NHB      d. None of the above
6. Which of the following was the first bank to have established in India?  
a. General Bank of India      b. Bank of Hindustan  
c. Oudh Commercial Banks      d. Imperial Bank of India
7. What are the duties of a banker?  
a. To help clients in financial needs      b. To keep track of financial status of the client  
c. To keep accurate financial record      d. All of the above
8. The primary relation between a banker and customer starts from the time-  
a. When customer visits that bank      b. When customer visits that bank to made queries  
c. When customer opens account      d. All of the above



**( Descriptive )**

Time : 2 hrs. 30 min.

Marks : 50

*[Answer question no.1 & any four (4) from the rest ]*

1. Briefly trace the evolution of banking institutions. 10
2. Define banker's customer. Explain the general relationship between the banker and customer. 2+8=10
3. "Banker's duty to secrecy is not absolute". Explain the statement with suitable case law. 10
4. Explain the functions of RBI 10
5. What is Negotiable Instrument? What are the kinds of Negotiable Instruments? 5+5=10
6. Discuss on banker's duty to honour customer's cheque 10
7. Narrate the rights of a banker 10
8. Explain the functions of Commercial banks. 10

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