



## Avinashilingam Institute for Home Science and Higher Education for Women

(Deemed to be University under Category 'A' by MHRD, Estd. u/s 3 of UGC Act 1956)

Re-accredited with 'A+' Grade by NAAC. Recognised by UGC Under Section 12B

Coimbatore - 641 043, Tamil Nadu, India

### Bachelor's Degree Examination – June / July 2021

#### II Semester

Class : I UG

Time : 3 Hours

Major : Commerce / B.Com PA

Max. Marks : 100

#### 18BCOC05 / 18BCPC05 Banking Law and Practice

##### Part A

10 x 1 = 10

##### Choose the Correct Answer

1. For establishing a new commercial bank in India a licence is required to be obtained from  
a. Ministry of Finance, Govt. Of India  
b. Reserve Bank of India  
c. Securities and Exchange Board of India  
d. Registrar of Companies  
CO1 K1
2. Reserve Bank of India does not act as  
a. an agent  
b. an adviser  
c. a banker  
d. an auditor to the Central Government  
CO1 K1
3. Banker can exercise the right of general lien on  
a. valuable articles kept in safe deposit vaults  
b. securities left with the bank negligently  
c. securities deposited for securing a loan  
d. securities in the names of other relatives  
CO2 K2
4. According to Indian Partnership Act, a partner does not possess implied authority  
a. to borrow money on behalf of the firm  
b. to undertake transactions  
c. to take part in the business of the firm  
d. to submit a dispute relating to the business of the firm for arbitration  
CO2 K2
5. A cheque with 'Not Negotiable' crossing:  
a. cannot be negotiated  
b. can be negotiated and the endorsee's title is not affected in any case  
c. can be negotiated but the holder of the cheque will not have title better than that of the person from whom he took it  
d. is always deemed as crossed specifically  
CO3 K1
6. Which is not possible for the payee of a cheque?  
a. To convert a bearer cheque into an order cheque  
b. To convert an open cheque into a crossed cheque  
c. To convert a general crossing into special crossing  
d. To make a specially crossed cheque into generally crossed cheque  
CO3 K1
7. Banks are permitted to grant unsecured advances  
a. upto 20% of its outstanding advances  
b. upto 15% of its total deposits  
c. according to their own policies but maintain an additional provision of 10% on such advances  
d. without any limit  
CO4 K2
8. Equitable title means  
a. the title is transferred by deposit of security without registration of its transfer  
b. title is transferred in the name of two persons in equal proportions  
c. title is transferred in the name of a minor  
d. title transferred without consideration  
CO4 K2

