



P. Sambath

Avinashilingam Institute for Home Science and Higher Education for Women

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

Re-accredited with an A++ Grade by NAAC CGPA 3.65/4, Category I by UGC

Coimbatore - 641043, Tamil Nadu, India

Continuous Internal Assessment II – October 2025

III Semester

Class: II UG

Major: B.Com/B.Com PA/B.Com CS

Time : 2 Hrs

Max. Marks : 60

23BCOC07/23BCPC07 /23BCRC07 Banking Theory Law and Practice

Course Outcomes:

CO1: Incorporate the banking services to industrial requirement.

CO2: Acquire the knowledge to loan procedures.

CO3: Handle the queries regarding cheques effectively.

CO4: Employ the application of e-banking services.

CO5: Undertake research work on evaluating the performance and services of banking sector.

Part A

6 x 1 = 6

Choose the Correct Answer

1. A collecting banker is given protection only when he collects
a. A crossed cheque
b. An order cheque
c. A bearer cheque
d. A mutilated cheque
CO3 K1
2. What is meant by 'Conversion' in the context of collecting banker liability?
a. Changing currency
b. Unauthorised use of funds belonging to others
c. Transferring accounts
d. Exchanging cheque for cash
CO3 K1
3. A pledge can be made in respect of
a. Shares
b. Land
c. Building
d. Book debts
CO4 K2
4. The legal right of a lender to sell the collateral in case of default is called
a. Foreclosure
b. Repossession
c. Lien
d. Redemption
CO4 K1
5. UPI stands for
a. Unified Payment Interface
b. Universal Payment Initiative
c. United Payment Integration
d. Unified Process Interface
CO5 K1
6. Which one of the following payments is NOT processed instantly?
a. IMPS
b. RTGS
c. NEFT
d. UPI
CO5 K2

Part B

3 x 6 = 18

Answer ALL Questions

Each answer should not exceed 400 words or two pages

7. a. Explain the types of negligence in relation to a collecting banker.
(or)
CO3K2
7. b. Give two instances under which a banker can act as a holder for value.
CO3K2
8. a. What are the characteristics of hypothecation?
(or)
CO4K2
8. b. Distinguish between a contract of guarantee and contract of indemnity.
CO4K2
9. a. Discuss the advantage of E-banking.
(or)
CO5K2
9. b. Bring out the recent trends in banking services.
CO5K2

Part C

3 x 12 = 36

Answer ALL questions

Each answer should not exceed 800 words or four pages

10. a. Enumerate the legal protections available to a collecting banker under the Negotiable Instruments Act.
(or)
CO3K3
10. b. Discuss the duties of the collecting banker.
CO3K2
11. a. Explain the principles that guide a banker in granting loans and advances.
(or)
CO4K3
11. b. Describe the different kinds of mortgage.
CO4K3
12. a. Explain the various electronic delivery channels in banking.
(or)
CO5K3
12. b. Discuss the various issues involved in E-banking and suggest measure to overcome them.
CO5K3

No. of copies : 55+30+60+30+30+15=220