


Name:			
Enrolment No:			
<b>UPES</b> <b>End Semester Examination, Dec 2024</b>			
<b>Course: Banking and Negotiable Instrument Law</b> <b>Program: BA LLB(Hons.), BBA LLB(Hons.), B Com LLB(Hons.)</b> <b>Time: 03 hrs.</b> <b>Course Code: CLCC5002</b>		<b>Semester: IX</b>  <b>Max. Marks: 100</b>	
<b>Instructions:</b> <ul style="list-style-type: none"> <li>All questions are compulsory.</li> <li>For Section A, the Word Limit per Question is 30–50 words. For Section B, the Word Limit per Question is 100–120 words, For Section C, the Word Limit per Question is 200–250 words and For Section D, the Word Limit per Question is 500–600 words</li> <li>Provide examples and cases where applicable to support your analysis.</li> <li>Ensure clarity and coherence in your writing, maintaining an academic tone throughout.</li> </ul>			
<b>SECTION A</b> <b>(5Qx2M=10Marks)</b>			
S. No.		<b>Marks</b>	<b>CO</b>
Q 1	_____, _____ and _____ got merged in the _____ year and became Imperial Bank of India and later it got nationalised and became _____.	<b>2M</b>	<b>CO1</b>
Q 2	Describe the primary purpose of the Banking Regulation Act, 1949?	<b>2M</b>	<b>CO1</b>
Q 3	_____ given the instructions to the commercial banks regarding the immediate credit of outstation cheques under section_____.	<b>2M</b>	<b>CO1</b>
Q 4	Explain the concise definition of negotiable instruments.	<b>2M</b>	<b>CO1</b>
Q 5	Explain “ <i>holder in due course</i> ” and “ <i>payment in due course</i> ”.	<b>2M</b>	<b>CO1</b>
<b>SECTION B</b> <b>(4Qx5M= 20 Marks)</b>			
Q 6	Discuss the requirements that have to be adhered to while advancing loans and advances to the directors of Banking Companies.	<b>5M</b>	<b>CO2</b>
Q 7	Discuss the concept of Nationalisation. To what extent have the post-1991 banking sector reforms impacted the debate on bank nationalisation and social control over banking in India? Explain.	<b>5M</b>	<b>CO2</b>
Q 8	Describe crossing cheques, outlining their kinds and the legal effects it has on the negotiable instruments.	<b>5M</b>	<b>CO2</b>
Q 9	State the constitution of the Central Board of Directors under the Reserve Bank of India Act, 1934.	<b>5M</b>	<b>CO2</b>

<b>SECTION-C</b> <b>(2Qx10M=20 Marks)</b>			
Q 10	Examine the concept of bank guarantee work, and what are the key considerations for parties involved in utilizing bank guarantees in commercial transactions?	<b>10M</b>	<b>CO3</b>
Q 11	Analyse the advantages and disadvantages of using digital payment methods such as NEFT, RTGS, IMPS, UPI, smart cards, and credit cards, and evaluate the impact of their widespread adoption on the economy and society.	<b>10M</b>	<b>CO3</b>
<b>SECTION-D</b> <b>(2Qx25M=50 Marks)</b>			
Q 12	<p>Mr. A receives a cheque from Mr. B as security for a future transaction. Later, Mr. A attempts to cash the cheque, but it is dishonored by the bank due to insufficient funds.</p> <p>For 5 marks:</p> <ol style="list-style-type: none"> <li>1. Analyze the legal actions Mr. A can pursue against Mr. B under the Negotiable Instruments Act, specifically in cases of cheque dishonour.</li> <li>2. Outline the step-by-step procedure Mr. A should follow to file a criminal case under Section 138 of the Negotiable Instruments Act.</li> <li>3. Discuss whether an offence under Section 138 is applicable if the cheque was provided solely as a security rather than as repayment and evaluate any legal precedents or principles that may affect Mr. A's case.</li> </ol>	<b>15+5+5=25 M</b>	<b>CO4</b>
Q 13	<p>Examine the facts and answer the following questions:</p> <p>A start-up company named Zwiggy Ltd was incorporated in the year 2020. Mr. Kabani was the angel investor in this Company. He also acquired a 25% stake in this company. The Forbes Magazine declared Mr. Kabani as the richest person in India from 2021 to 2023. In 2023, a report by an NGO revealed that Mr. Kabani has been involved in embezzlement of funds and he is not able to repay his creditors. This report has not been verified by any governmental agency till now. Meanwhile, Zwiggy has been performing consistently well and is now valued at ₹1000 crores.</p> <p>Zwiggy Ltd approached ABC Bank Ltd for a loan of ₹10 crore rupees for the purpose of expansion of its business in China and Maldives.</p> <ol style="list-style-type: none"> <li>1. Discuss the principles of sound lending that are to be followed by banks while granting loans</li> <li>2. Determine what circumstances should be taken into account by ABC Ltd while granting loans to Zwiggy Ltd.</li> <li>3. Decide whether the loan should be given to ABC Ltd.</li> </ol>	<b>15+5+5=25 M</b>	<b>CO4</b>