Name:

Enrolment No:

UPES

End Semester Examination, Dec 2025

Course: Banking and Negotiable Instrument Law **Semester: IX**

Program: BA LLB(Hons.), BBA LLB(Hons.), B Com LLB(Hons.) **Time: 03 hrs.**

Course Code: CLCC5002 **Max. Marks: 100**

Instructions:

- All questions are compulsory.
- 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
- Provide examples and cases where applicable to support your analysis.
- Ensure clarity and coherence in your writing, maintaining an academic tone throughout.

SECTION A

S. No.		**Marks**	**CO**
Q 1	List any two functions of Development Banks in India.	**2**	**CO1**
Q 2	Mention two types of Cooperative Banks in India.	**2**	**CO1**
Q 3	Define “Cheque” and mention two essential requisites.	**2**	**CO1**
Q 4	Define CRR (Cash Reserve Ratio)? Mention two key points about its maintenance.	**2**	**CO1**
Q 5	State two powers of the RBI in regulating advances of banks.	**2**	**CO1**

SECTION B

Q 6	Explain the mechanism of Consumer Protection for bank customers under the Consumer Protection Act.	**5**	**CO2**
Q 7	Discuss the types of non-funded credit facilities available in India, such as Letters of Credit and Guarantees.	**5**	**CO2**
Q 8	Describe the procedure and role of Asset Reconstruction Companies (ARCs) in India.	**5**	**CO2**
Q 9	Analyse the role of Reserve Bank of India in regulating NBFCs.	**5**	**CO2**

SECTION-C			
Q 10	Evaluate the effectiveness of the Securitisation mechanism under SARFAESI in reducing NPAs.	**10**	**CO3**
Q 11	Examine the impact of External Commercial Borrowings (ECBs) and Global Depository Receipts (GDRs) on Indian banking operations.	**10**	**CO3**
	SECTION- D		
Q 12	"Greenfield Bank Ltd.", a small private sector bank, provided a term loan to an agriculture cooperative society to set up a cold storage unit. Due to crop failure, the society defaults. The bank classifies the loan as NPA and initiates recovery proceedings under the Recovery of Debts due to Banks and Financial Institutions Act. a. Discuss the legal process of debt recovery under the RDDBFI Act. (10 marks) b. Explain the powers of the bank to enforce security under SARFAESI and highlight the rights of borrowers. (10 marks) c. Discuss alternative mechanisms like Banking Ombudsman or Consumer Forums that the borrower can approach. (5 marks)	**25**	**CO4**
Q 13	A cheque issued by Company X to Supplier Y originally mentioned payment of ₹5,00,000. Before presentation, the amount was altered to ₹15,00,000. The bank dishonoured the cheque for "suspected alteration". Company X alleges fraud by Y, while Y claims the alteration was authorised. Discuss with reference to: 1. What constitutes material alteration under the NI Act. (5 marks)	**25**	**CO4**

	2. Effect of material alteration on enforceability and liability. (5 marks) 3. On whom the burden of proof lies. (5 marks) 4. Role and responsibility of the drawee bank. (5 marks) 5. Civil and criminal remedies available to both parties. (5 marks)		