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Reg. No.....

Name.....

**FIVE YEAR B.A., B.B.A./B.Com., LL.B. (HONOURS) DEGREE EXAMINATION
FEBRUARY 2026**

Seventh Semester

F.L. 22—BANKING LAW

(2022 Admissions—Regular/2018 to 2021 Admissions—Supplementary)

Time : Three Hours

Maximum : 75 Marks

Part A

Write short notes on any five of the following.

Each question carries 3 marks.

1. What is a scheduled bank under the RBI Act, 1934 ?
2. What is a garnishee order ?
3. Discuss the role of the RBI in regulating non-banking financial institutions.
4. Examine the legal framework of contractual security in banking.
5. What is a cheque ?
6. Define noting in the context of dishonour of negotiable instruments.

(5 × 3 = 15 marks)

Part B

Answer any three of the following problems.

Each question carries 10 marks.

7. A bank exercises its lien over securities deposited by a customer. The customer argues that the lien is invalid. Discuss the legality of the banker's lien.
8. A bank fails to get its accounts audited as required under the Banking Regulation Act. What consequences can follow ?

Turn over

9. A guarantor of a loan argues that SARFAESI action cannot be initiated against his personal property since he was not the principal borrower. Decide.
10. A cheque was dishonored due to insufficient funds. The payee files a complaint under Sec. 138 of the NI Act. The drawer contends that it was a security cheque only. Decide.

(3 × 10 = 30 marks)

Part C

Answer any two of the following questions.

Each question carries 15 marks

11. Examine the provisions relating to the amalgamation, liquidation, and reconstruction of banks under the Banking Regulation Act.
12. Explain the objectives, scope, and mechanisms of the SARFAESI Act, 2002.
13. Discuss the law relating to endorsements of negotiable instruments and their kinds.

(2 × 15 = 30 marks)