

Total No. of Questions : 4]

SEAT No. :

P3910

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[4864]-1009

M.Com. - I (Semester - I)

ADVANCED BANKING AND FINANCE

Gr. G - Legal Framework of Banking

(2013 Pattern) (Credit System) (Special Paper - I)

Time : 3 Hours]

[Max. Marks : 50

Instructions to the candidates:

- 1) All questions are compulsory.*
- 2) Figures to the right indicate full marks.*
- 3) Answers must be to the point.*
- 4) Answer must be with reference to the relevant sections of the Act concerned.*

Q1) Explain the power of the RBI to apply to the Central government for suspension of business by banking companies and to prepare scheme of reconstitution or amalgamation as under section 45 of the Banking Regulation Act, 1949. **[14]**

OR

“Since a cheque is a bill of exchange, there exists no difference between the two.” Do you agree? Justify your answer.

Q2) Explain in detail all the provisions of the RBI Act, 1934, Chapter III - A [Section - 45 (A) to (G)] pertaining to collection and furnishing of credit information. **[14]**

OR

Explain in detail the provisions of the Foreign Exchange Management Act, 1999 relating to Adjudication and appeal.

Q3) a) Explain in detail the provisions relating to offences and penalties as under section 27 to section 30 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. **[7]**

OR

Why is a bank called a ‘Bank’ and not just a financial institution? Explain your answer using section 5(b) of the Banking Regulation Act, 1949.

P.T.O.

- b) Explain the power of the Reserve Bank to determine policy and issue directions to a securitisation or reconstruction company as under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. What are the penalties for its non compliance by the securitisation or reconstruction company? [7]

OR

Explain in detail the definition of a promissory note under section 4 of the Negotiable Instruments Act, 1881. Spell out its characteristics as are implicit only in the definition.

Q4) Write notes on (any two): [8]

- a) Definition of hypothecation as under Securitisation Act, 2002.
- b) Penalties for non compliance with CRR requirements by banks as under section 42(3) of the RBI Act, 1934.
- c) Definition of Asset reconstruction and securitisation as under securitisation Act, 2002.
- d) Penalties for contravention of provisions of Foreign Exchange Management Act, 1999.

