

## JYOTI NIVAS COLLEGE AUTONOMOUS

**Name of the Program:** Bachelor of Commerce (B.Com.)

**Course Code:** B.Com. 2.3

**Name of the Course:** Law and Practice of Banking

Course Credits	No. of Hours per Week	Total No. of Teaching Hours
4 Credits	4 Hrs	60 Hrs

**Pedagogy:** Classrooms lecture, Case studies, Group discussion, Seminar & field work etc.,

### **COURSE OBJECTIVE**

- To outline the basics of law and practice of Banking to the students.
- To explain the changes and innovations in the banking industry.
- To summarise the Negotiable Instruments act 1991.

### **LEARNING OUTCOMES**

- To enable them to relate with the new technology in banking.
- To illustrate the students about the duties and responsibilities of a Banker.
- To enable them to assess the relationship between bank and customer.

Syllabus:	Hours
<b>Module No.1: INTRODUCTION TO BANKING</b>	<b>12</b>
Introduction- Meaning – Need – Importance – Primary, Secondary & Modern functions of banks - Origin of banking- Banker and Customer Relationship (General and special relationship) - Origin and growth of commercial banks in India – Types of Banks in India– Banks' Lending - changing role of commercial banks. RBI: History-Role & Functions.	
<b>Module No.2: PAYING AND COLLECTING BANKER</b>	<b>12</b>
<b>Paying banker:</b> Introduction - Meaning – Role – Functions - Duties - Precautions and Statutory Protection and rights - Dishonor of Cheques – Grounds of Dishonor – Consequences of wrongful dishonor of Cheques; <b>Collecting Banker:</b> Introduction - Meaning–Legalstatusofcollectingbanker-Holderforvalue-Holderinduecourse– Duties & Responsibilities - Precautions and Statutory Protection to Collecting Banker.	
<b>ModuleNo.3: CUSTOMERS AND ACCOUNT HOLDERS</b>	<b>12</b>
Introduction - Types of Customers and Account Holders - Procedure and Practice in opening and operating accounts of different customers: Minors - Joint Account Holders- Partnership Firms - Joint Stock companies - Executors and Trustees - Clubs and Associations and Joint Hindu Undivided Family.	
<b>Module No.4: NEGOTIABLE INSTRUMENTS</b>	<b>12</b>
Introduction – Meaning & Definition – Features – Kinds of Negotiable Instruments: Promissory Notes - Bills of Exchange - Cheques - Crossing of Cheques – Types of Crossing; Endorsements: Introduction - Meaning - Essentials & Kinds of Endorsement – Rules of endorsement.	
<b>Module No. 5: RECENT DEVELOPMENTS IN BANKING</b>	<b>12</b>

Introduction - New technology in Banking – E-services – Debit and Credit cards - Internet Banking-Electronic Fund Transfer- MICR – RTGS - NEFT –ECS- Small banks-Payment banks- Digital Wallet-Crypto currency-KYC norms – Basel Norms - Mobile banking-E-payments - E-money. Any other recent development in the banking sector.

**SKILL DEVELOPMENT ACTIVITIES:**

1. Refer RBI website and identify the different types of banks operating in India.
2. Visit any Public sector bank & discuss with the branch manager about the role and functions as a paying and collecting banker.
3. Collect and fill dummy account opening forms as different types of customer.
4. Draft specimen of Negotiable instruments: bill of exchange, Promissory Notes and Cheques.
5. Identify and prepare report on pros and cons of recent development in the field of banking sector.
6. Any other activities, which are relevant to the course.

**TEXT BOOKS:**

1. Gordon & Natarajan, Banking Theory Law and Practice, HPH, 24<sup>th</sup> Edition
2. S. P Srivastava (2016), Banking Theory & Practice, Anmol Publications
3. Maheshwari. S.N. (2014), Banking Law and Practice, Kalyani Publishers, 11 edition
4. Shekar. K.C (2013), Banking Theory Law and Practice, Vikas Publication, 21<sup>st</sup> Edition.
5. Dr. Alice Mani (2015), Banking Law and Operation, SBH.

**Note: Latest edition of text books may be used.**