

**JYOTI NIVAS COLLEGE AUTONOMOUS
SYLLABUS FOR 2019 BATCH AND THEREAFTER**

Programme: Integrated B.Com. M.Com

Semester: IV

BANKING LAW AND OPERATIONS

Course Code: 19IC404

No. of Hours: 60

COURSE OBJECTIVES:

- To familiarize the students to understand the Law and Practice of Banking.
- To bring about awareness among students with changes and innovations in Banking Industry.
- To understand the Negotiable Instrument Act 1991.

LEARNING OUTCOMES:

- Enable students to fill up loan application forms.
- Enable students to know the new technology in banking.
- Enable students to understand the duties and responsibilities of a banker.

UNIT 1

Banking Regulation Act 1949:04 HRS

History-definition of banking as per BR Act, other forms of business permitted and prohibited for banking companies. Concepts only- Paid-up-capital and reserve for an Indian banking company-licensing of banking company.

UNIT 2

Relationship between Banker and Customer

12 HRS

Definition of Banker and Customer-General relationship. Special relationship - Special types of customers- Minor, lunatic, married women, Joint Accounts, Partnership accounts. Private Limited Company, Public Limited Company, Non Trading Concerns, Trust Accounts - Closure of Accounts. KYC Policy-meaning.

UNIT 3

Negotiable Instruments:

14 HRS

Meaning - Characteristics of Negotiable Instruments - Parties to the Instruments - Different types of negotiable instruments - Bills of Exchange Essentials - Promissory Note - Essentials

- Cheques - Essentials, MICR Cheques - Material alterations - Markings - Endorsement - Types of endorsement.

UNIT 4

Paying banker and collecting banker

12 HRS

Duties and responsibilities - Statutory Protection - Dishonor of Cheques -grounds - payment of cheques and other instruments.Case Study.Collecting Banker Duties and Responsibilities - Statutory Protection, Banker as a holder in due course.Banker as holder for value.Case Study.

UNIT 5

Advances and Securities

10 HRS

Principles of sound lending - Methods of granting advances - Secured unsecured advances - Methods of creating charges on securities - Lien, Pledge, Hypothecation and Mortgage.

UNIT 6

Reforms and Innovations in Banking:

08 HRS

Core Banking – Virtual Banking, E-banking, ATM, CDM (Cash Deposit Machine), Mobile Banking, ECS, EFT, NEFT, RTGS, SWIFT, Credit Card, Debit Card, E- Money, Digital Cash.

NPA's – Factors contributing to NPA's (internal, External and others)

BASEL Norms I,II and III – Overview and background.

SKILL DEVELOPEMNT

- To open a savings bank account
- Collect and fill pay in slips of savings bank account
- Draw different types of endorsement of cheques.
- List customer services offered by at least two banks of your choice.

BOOKS FOR REFERENCE

1. Sundaram&Varshney, Banking Law and Practice ,Sulan Chand & Sons,
2. S.N. Maheshwari, Banking Law and Practice - Kalyani Publishers.
3. E. Gordon & K. Natarajan, Banking Theory Law & Practice, Himalaya Publishing House.
4. A. Gajendran, Banking Theory Law & Practice, Vrinda Publications Pvt Ltd.