

**JYOTI NIVAS COLLEGE AUTONOMOUS
SYLLABUS FOR 2018 BATCH AND THEREAFTER**

Programme: B.Voc. (Banking and Finance)

Semester: II

BANKING THEORY

Course Code: 18BVB205

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 concepts of advances and securities.

LEARNING OUTCOMES:

- Creating awareness about computerization of banking operations.
- To avail the facility of internet/mobile banking.
- It enables the students to know the KYC policies and procedures.

UNIT 1: Banking Regulation Act 1949:

6HRS

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

UNIT 2: Relationship between Banker and Customer:

12HRS

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

UNIT 3: Negotiable Instruments:

14HRS

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 and Collecting banker:

12HRS

Duties and responsibilities - Statutory Protection - Dishonour 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**10HRS**

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

UNIT 6: Changing scenario of banking in India**6HRS**

Changing concepts of Banking - New Technology in Banking -, E-Banking, Debit and Credit Cards - Internet Banking- ATM - Electronic Fund Transfer. - Mobile banking- payment through apps - Banking Ombudsmen-meaning, BASEL Committee recommendation, Core Banking, Retail banking Bancassurance-Cyber Security-Precautions for prevention of Banking Frauds.

SKILL COMPONENT

- Evaluate the KYC policies of a Private sector bank
- Avail the facility of internet banking through your bank Account.
- Approach a bank and enquire about green channel facility.
- Obtain the format of a demand promissory note and complete the form.
- Obtain the format of a Hundi (bill of exchange) and calculate the due date of the bill sent for collection.
- Find out the procedure to avail the facility of mobile banking.
- Write a report on the bailer –bailee relationship relating to bank.

BOOKS FOR REFERENCE

- Banking Law and Practice –Sundaram&Varshney.
2. Banking Law and Practice - S.N. Maheshwari.
 3. Banking Law and Practice in India - Tananon M.L.
 4. Banking Law and Practice - B.M. Lall Nigam.
 5. Banking Law and Practice - S. D