

**JYOTI NIVAS COLLEGE AUTONOMOUS**

**Programme: B.B.A**

**BANKING LAW AND PRACTICE**

**Course Code: 24IVBBA01**

**Semester -IV**

**No.of.Credits:4**

**No. of hours: 60**

**Course Objectives:**

- Understand the various significant concepts in the field of Banking and Financial sector.
- To understand the functions of banking system in the Indian Economy.
- Understand the significance of modern technology in the Banking sector.

**Learning outcomes:**

- Comprehend the various banking products and services.
- Gain knowledge of banking regulations and compliance requirements.
- Awareness of various innovations and recent trends in banking .

**Unit 1: Introduction to Banking**

**12 Hours**

Banking-Origin, Meaning, Need and Functions- Primary, Secondary & Modern functions of banks; Banker and Customer Relationship (General and special relationship); Types of Banks in India, RBI- Role & Functions.

**Unit 2: Customers and Account Holders**

**08 Hours**

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

**Unit 3: Negotiable Instruments and Lending mechanism**

**18 Hours**

Negotiable Instruments- Meaning, Definition & Features; Types of Negotiable Instruments- Promissory Notes, Bills of Exchange( Meaning only) , Cheques; Features, types of Cheques, Crossing of Cheques- Types of Crossing; MICR, Endorsements- Meaning, and Essentials of Valid Endorsement. Principles of sound lending-Method of granting advances, Secured and unsecured advances-methods of creating charge on securities- Lien, Pledge, Hypothecation and Mortgage.

**Unit 4: Paying and Collecting Banker**

**12 Hours**

**Paying Banker-** Meaning, Duties and Responsibilities, Precautions and Statutory Protection, Dishonor of Cheques, Grounds of Dishonor, Consequences of wrongful dishonor of Cheques.

**Collecting Banker-** Meaning, Duties & Responsibilities, Precautions and Statutory

Protection to Collecting Banker - Holder for value, Holder in due course.

### **Unit 5: Recent Trends in Banking Practices**

**10 Hours**

Modern Technology in Banking- Transfer Methods- IMPS, RTGS, NEFT , SWIFT ,Electronic Clearing Services (ECS), Mobile Banking, Internet Banking, Payment Banks, Mobile Wallet, Unified Payment Interface (UPI), NFC, E-KYC

New Trends in Banking: Block Chain technology, Artificial Intelligence, P2P Payment Services, Biometric Authentication, Green banking and sustainability, Cloud banking, cyber security and fraud prevention in banking.

#### **Skill Development Activities:**

- List out the Negotiable Instruments used in Business.
- Draw a format of a Cheque and mention its parts
- List out the situations when Cheques may/must be dishonored.
- List out the methods of Electronic Transfers/Payments.
- Relevant case studies to be discussed

#### **Books for References:**

1. Sundaram & Varshney, Banking Law and Practice , Sultan Chand & Sons
2. S.N Maheswari , Banking Law and Practice, Kalyani Publishers
3. E. Gordon & K. Natarajan. , Banking theory Law & Practice, Himalaya Publishing House
4. Jagroop Singh, Banking operations and Innovations, Kalyani Publishers  
DebJoyeeta, 'Indian Banking System', Evinco Publishing.
5. Gajendran, Banking Theory Law and Practice, Vrinda Publications Pvt Limited.

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