

VEER NARMAD SOUTH GUJARAT UNIVERSITY

S.Y. B.Com.

Semester -III Paper-I

Banking (Law and Practice)

Principal & Subsidiary Paper-I

Syllabus (In Force from June-2018-19)

011007-2
08/10/19

The objective of the paper is to give a broad idea of law and practice of banking with special reference to India.

Note:

1. The topics are to be studied with special reference to the legal principles and current practice prevailing in the country.
2. Detailed knowledge of various forms are not expected.

Semester-III

1. **Banker and Customer:** Definition of banker-what constitutes a customer general relation – legal relation of banker and customer –Duration aspect- Banker as a borrower-A debt by a banker vs. an ordinary commercial debt- Law of limitation and deposits- cases and position of a banker- Role of the banker as a trustee, an agent and a bailee.

[20%]

2. **Banker – Customer - Special Relationship** - Banker's lien - Appropriation of payment – Banker's right to setoff- Banker's right to charge interest and commission- Banker's obligation to maintain secrecy of the customer's accounts – Garnishee order. Termination of relation between banker and customer.

[15%]

3. **Negotiable Instruments :**

Meaning, Definition and Characteristics of Promissory Note, Bill of Exchange and Cheque.

[20%]

4. **Electronic Banking and IT (Information Technology) In Banks.**

Introduction – Meaning of Electronic fund Transfer (EFT), Electronic clearing System (ECS), Real Time Gross Settlement (RTGS), National Electronic fund Transfer (NEFT), Indian Financial System Code (IFSC), Internet Banking, Core Banking Solution (CBS), Automated clearing House Operations based on MICR Technology, Difference between RTGS and NEFT.

[20%]

5. **Payment Bank** – Meaning and Characteristics - Ethical Practices of Banks, Banking Ombudsman (Lokpal) Appointment and Powers.

[15%]

6. **Practical problems** on any of the above topics

[10%]

Reference books :

1. Banking Law and Practice in India M.L. Tannan (Latest Edition)
2. Law and Practice of Banking S.R. Dave
3. Banking Law and Practice in India V.N. Mugali
4. Practice and Law of Banking H.P. Sheldon
5. Banking Law and Practice P.N. Vesnneya (Latest Edition)
6. બેંકિંગ કાનૂન અને વ્યવહાર ધીરુભાઈ વેલવન
7. Link – <https://rbi.org.in>
8. Link – <https://www.indiapost.gov.in/>
9. J.M. Holden – The law & practice of Banking Universal law publishing.