

**VEER NARMAD SOUTH GUJARAT UNIVERSITY, SURAT**  
**CLASS: SECOND YEAR B.COM (EXTERNAL)**  
**SUBJECT: Banking Law and Practice PAPER 1**  
**COURSE TYPE: MAJOR – 4 CREDIT**  
**EFFECTIVE FROM ACADEMIC YEAR 2024-25 ONWARDS**

**OBJECTIVES:** The objective of the paper is to give broad idea of the law and practice of Banking with special references to india.

**OUT COMES:**

After completion of the course, learners will be able to:

- To make understand about Banker's Customer relationship.
- Create awareness about various digital platform.
- To Know how to useful BC/BF Model for public.
- Explain the process for payment and collection of customer's cheque.
- To make them aware about loan process.
- To know about casa service.

**COURSE CONTENT:**

UNIT NO	CONTENT	WEIGHTAGE
1	<p><b><u>Banker and customer Relationship:</u></b>            Definition of banker &amp; customer – general &amp; legal relation of banker and customers –Bankers as borrower – A debt by a banker vs. an ordinary commercial debt -Rights of banker –bankers Lien and right of set off – banke's right to charge interest and commission.-Banker's obligation to maintain secrecy of the customer's accounts- closer of bank accounts – Stop payment- Garnishee order.</p>	15
2	<p><b><u>Digital banking:</u></b>            Meaning of digital banking- Essential of digital banking –Digital banking and Indian scenario-cyber Frauds-Types of Electronic Fund Transfer Systems-POS- Payment Wallet-Kiosks- NPCI (National payent corporation of india)- History and its products (NUUp, NACH, UPI)</p>	15
3	<p><b><u>Financial inclusion Through BC/BF model:</u></b>            Need for Financial literacy and inclusion- BCBF model for Financial inclusion –Scope of activites of BCBF, do's and don'ts- Facilities overdraft, debit card, insurance- Role of BCs/ BF's Financial inclusion.</p>	15
4	<p><b><u>Payments and Collection of Customer's cheques:</u></b>            Precaution- Payments in due course- When a banker is justified in refusing payment- wrongful dishonor of cheque-countermanding payments of cheques and drafts – protection</p>	15

	given to a paying banker. The banker as holder for value-collecting banker and his customer- precaution- duties of collecting banker- protection given to a collecting banker.	
5	<b><u>Loan and advances:</u></b> Meaning of loan & advances-principles of sound lending- form of advances- meaning of secured and unsecured loan- Hidden charges –meaning of (APR)annualized percentage Rat-KFS (Key fact statement -CIBIL Score- Meaning-Importance of cibil score for banks- importance of cibil score in loan approval process-How to read your cibil report-Good and bad cibil score- cibil score Various series.	15
6	<b><u>CASA DEPOSITS:</u></b> Meaning of casa deposits- Importance of casa deposits for banks- transaction-services- channels offered by banks for casa accounts holders- benefits of casa deposits to customers-features of casa deposits.	15
7	<b><u>Practical problems on any above topics.</u></b>	10

**Reference books:**

1. 1. Money & Banking - Satish Munjal
2. Banking Law and practice . M.L.Tennan.
3. E-Banking.-Sujan. C. Jain.
4. Inclusive Banking though Business correspondence. (iiBF)
5. Indian Banking industry and Information technology.- R.K. Uppal
6. Banking, Theory Law & Practice.- Sundharam & Varshney.
7. બેંકિંગ કાનૂન અને વ્યવહાર- ધીરુભાઈ વેલવન.

Law and practice of Banking- S.R. Davilr