

VEER NARMAD SOUTH GUJARAT UNIVERSITY, SURAT
CLASS: SECOND YEAR B.COM (EXTERNAL)
SUBJECT: Banking Law and Practice PAPER 2
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:

1. To understand process and regulations for recovery of outstanding default cases.
2. To Know about how to finance secured advances.
3. To Create awareness about microfinance products.
4. To explain the process for different transactions and role to be played.
5. Create understanding about how to provide finance & assistance to priority sector.
6. To Know about how to open an account.

COURSE CONTENT:

UNIT NO	CONTENT	WEIGHTAGE
1	<u>Recovery management: -</u> Meaning of Recovery management -Why recovery management is important for Banking industries - brief introduction of NPA- various scheme for recovery- one time settlement - Lok Adalats –Debt recovery Tribunal – (DRT) – SARFASI Act 2002- Result of various recovery scheme-	15
2	<u>Pradhan mantri Mudra Yojana: -</u> Introduction of mudra lone scheme-Objective of PMMY -details of The product- Eligible borrowers- commercial banks performance of PMMY- Purpose of Assistance- Repayment- Loan Application form for PMMY.	15
3	<u>Secured and unsecured advances-</u> Meaning of Secured and unsecured advance- Margin- meaning of margin- importance of margin in bank advances- Securities for Bank advances.- Stock exchange securities- Godown receipts- fixed deposit Receipts- life insurance policy- precaution against lending of securities.	15
4	<u>Creation of charges & Guarantees:-</u> Modes of taking security-Lien- pledge- Mortgage - Hypothecation- Guarantees- Definition- its importance in banking business- limitation of guarantee. Ends of guarantee.	15
5	<u>Development banking and Industrial finance:-</u>	15

	Meaning of Development banking - origin of development banking - Functions of development banking – special qualities of development bank – Review of development bank- IFCI, SIDBI, SFCS.	
6	Advance to priority sectors: - Types of priority sectors - Rationale of lending to the - priority sector - Differential rates. Exports finance- Export credits and guarantee corporation.	15
7	Forms :- Application forms for personal loan - Application forms for opening An account (individual) – Application forms for Educational loan - – Application Forms of Housing loan. Application forms for Pradhan Mantra Jan Dhan Yojana.	10

1. Reference books: -

2. બેંકિંગ કાનૂન અને વ્યવહાર- ધીરુભાઈ વેલવન.

2. Banking Law and practice in India. V.N. Mugah.

3. 3. Banking Law & practice- M.L.Tennan

4. Practice and Law of Banking- H.P. Sheldon.

5. Social Banking. - Subhash Garg.

Law and practice of Banking. S.R. Davir.