

# 2308

## B. Com. II Year

### 2.6 BANKING LAW & PRACTICE IN INDIA

#### UNIT-I

Banking Legislations in India: Reserve Bank of India Act, 1934; Banking (Regulation) Act, 1949; Banking Companies (Acquisition of Undertaking and Transfer) Act, 1970.

Major Efforts of International Banking: Basel Norms, Tier I Tier II Capital

#### UNIT-II

Banker Customer Relationship: Definition of the term Banker and Customer : general and special relationship, termination of relationship, pass-book, Types of Accounts and their operations, Types of customers.

New Banking System: Indradhanush Scheme, MUDRA Scheme

#### UNIT-III

Negotiable Instruments Act: Concepts and Elements, types; cheque, Bills, Promissory notes, crossing, Endorsement, presentation (Elementary knowledge) paying and collecting banks rights, duties, protections and precautions. Basic Provisions of the Act.

#### UNIT-IV

Investments & lending of Bank Funds-Non profitable and profitable investment in funds; (cash reserve, statutory reserve, Securities) secured and unsecured loans-lien, pledge hypothecation, cash credit, overdraft, discounting of bills and clean advances, Non Performing Assts, SARFAESI Act, Appraisal of loan applications; Tandon Committee and Chore Committee Reports, Narshimam Committee Report.

#### UNIT-V

Letter of Credit : Meaning, Characteristics, nature of L/C (Letters of Credit), Types of Letters of Credits, Personal Letters of Credit and Commercial Letters of Credit, Procedure of Opening L/C (Letters of Credit). Precaution in making payments of L/C (Letters of Credit). Frauds in Banks : Types and its prevention.

#### **Suggested Readings :**

1. Nigam B.M.L.; Banking Law & Practice, Himalaya Publishing House, New Delhi.
2. Sharma Maliram; Banking Vidhi Evan Vyavhar, Ramesh Book Depot, Jaipur
3. Shekhar & shekhar; Banking Theory & Practice, Vikas publishing House, New Delhi
4. Shrivastava P.K.; Practical Banking Law & Practice, Himalya Publishing House, New Delhi.
5. Trivedi, Nagar, Bhate: Banking Law & Practice in India, Ramesh Book Depot, Jaipur
6. Vaishney P.N.; Banking Law & Practice : Sultan Chand & Sons, New Delhi.