B.COM.
SEMESTER VI
DISCIPLINE SPECIFIC ELECTIVE
BANKING AND FINANCIAL SERVICES
Law and Practice of Banking –II (DSE 6)
(100 Marks, 60 Lectures)

Objectives: To familiarize the student with the legal aspects of the relationship between the banker and various categories of customers.

Unit I The Banker-Customer Relationship and Banking Operations (20 marks –Lectures 10)
Banking operations: Collecting Banker: Meaning, Duties & Responsibilities of Collecting Banker, Holder for Value, Holder in Due Course, Statutory Protection to Collecting Banker; Paying Banker: Meaning, Precautions ,Statutory Protection to the Paying Banker.Bankers' Special Relationship:- Mandate; POA; Garnishee Orders; Banker's Lien; Right of Set off

Unit II Negotiable Instruments (25 marks –Lectures 15)
Definition, features, holder, Holder in due course & their Rights, Privileges, Liabilities, Cheques – Crossing, types of crossings, Making of Cheques and Endorsement, Collection of Cheques, Payment of Cheques&Dishonour – Discharge of Cheques,Bouncing of Cheques; Its Implications; Return of Cheques; Bills of Exchange, definition & types of Bills of Exchange.

Unit III Bank Customers (25 marks –Lectures 15)
Different types of Customers:- Sole Proprietor, Partnership firms, Joint Stock Company, Clubs, Associations, Trusts, local authorities and cooperative societies. Openingof accounts - Procedures and Precautions to be taken, KYC norms:-PMLA Act, nomination facility. Closing of accounts - Procedure and Precautions to be taken by a Banker.*PradhanMantri Jan DhanYojana*2015 (PMJDY).

Unit IV Frauds, Malpractices &Cyber Crimes in Banking (30 marks –Lectures 20)
Meaning and types of errors and frauds in banking, RBI Guidelines for prevention of frauds & malpractices, steps to be taken by Banks. Anti-Money laundering – Meaning and Guidelines by RBI, Meaning of - Terror funds, Black Money, Hawala Funds. Cyber-crimes& banking sector in India-Introduction, Common cyber-crime risks of Financial Institutions,Denial of services(DoS), Debit & credit card cloning-Hacking-Email Bombing- Data Diddling- Logic bombs –Web Jacking-Money Laundering-control & prevention of electronic crimes in Banks. Phishing: Customer Education; Safety Checks; precautions to be taken by bankers and customers.

Reference
Books
1. K.P. Kandasami, S. Natarajan,R. Parameshwaran, Banking Law and Practise, S. Chand & Co. Ltd, New Delhi.
2. Sukhavinder Mishra, Banking Law and Practise, S. Chand & Co. Ltd, New Delhi.
3. Bedi H.L. &HardikarV.K., Practical Banking Advances, UBS Publishers New Delhi..

4. Gordon E. Natarajan K., Banking Theory, Law and Practise, Mumbai Himalaya, 1998.
5. Indian Institute of Banking and Finance, Legal Aspects of Banking, New Delhi, Macmillan 2005.
6. KhubchandaniB.S, Practise and Law of Banking, New Delhi, Macmillan.2000.
7. Kumar N. & Mittal R, Banking Law and Practise, New Delhi Anmol 2002.
8. Reddy P.N. &Appannaiah H.R., Banking Theory and Practise, Mumbai Himalaya, 4e.
9. Shekhar K.C. &Shekhar L.: Banking Theory and Practise, New Delhi, Vikas Publication.
10. Varshney P.N, Banking Law and Practise,New Delhi, Sultan Chand & Sons, 2005.
11. Prem Kumar Srivastava, Banking Theory and Practise, Himalaya Publication.

Journals:-

1. The Indian Banker, published by Indian Banker Association
2. Bank Quest, published by Indian Institute of Banking and Finance
3. RBI Bulletin (Monthly), published by RBI
4. Trends and Progress of Indian Banking (Annual), published by RBI

Websites:-

1. Reserve Bank of India www.rbi.com
2. Indian Institute of Banking and Finance www.iibf.org.in
3. Indian Bankers Association www.iba.org.in
4. Institute of Banking Personal Selection www.ibps.com
5. Institute of Finance, Banking and Insurance www.ifbi.com