

SEMESTER - V

BANKING LAW AND PRACTICES

**Subject Description :** This course aims to enlighten the students on the Recent Trends in Banking and the regulating provisions.

**Goals :** To enlighten the students' knowledge on Banking Regulation Acts.

**Objectives :** After the successful completion of the course the student should have a through knowledge on Indian Banking System and Acts pertaining to it.

**Unit – I**

Definition of banker and customer – Relationships between banker and customer – special feature of RBI, Banking regulation Act 1949. RBI credit control Measure – Secrecy of customer Account.

**Unit – II**

Opening of account – special types of customer – types of deposit – Bank Pass book – collection of banker – banker lien.

**Unit – III**

Cheque – features essentials of valid cheque – crossing – making and endorsement – payment of cheques statutory protection duties to paying banker and collective banker - refusal of payment cheques Duties holder & holder id due course.

**Unit – IV**

Loan and advances by commercial bank lending policies of commercial bank - Forms of securities – lien pledge hypothecation and advance against the documents of title to goods – mortgage.

**Unit – V**

Position of surety – Letter of credit – Bills and supply bill. Purchase and discounting bill  
Traveling cheque, credit card, Teller system.

**Books for Reference:**

1. Sundharam and Varshney, Banking theory Law & Practice, Sultan Chand & Sons., New Delhi.
2. Banking Regulation Act, 1949.
3. Reserve Bank of India, Report on currency and Finance 2003-2004.
4. Basu : Theory and Practice of Development Banking
5. Reddy & Appanniah : Banking Theory and Practice
6. Natarajan & Gordon : Banking Theory and Practice