

# BANKING THEORY, LAW AND PRACTICE

## **Unit I**

Origin of banks – Banking Regulation Act, 1949 (Definition of Banking, Licensing, Opening of branches, Functions of Banks, Inspection) – Roll of Banks and Economic Development – Central Banking and Role of RBI and their functions.

## **Unit II**

Commercial Banks – Functions – E – Banking – ATM Cards, Debit cards, Personal Identification Number – Online enquiry and update facility – Electronic Fund Transfer – Electronic Clearing System – Credit Creation and Credit Control

## **Unit III**

Opening of an Account – Types of Deposit Account – Types of customers (Individuals, firms, Trusts, and Companies) – Importance of customer relations – Customer grievances and redressal – Ombudsman.

## **Unit IV**

Principles of lending – Types of Loans – Precautions to be taken by a banker while lending against various securities

## **Unit V**

Negotiable instruments – Promissory Note – Bills of Exchange, Cheque, Draft – Definitions, Features – Crossing – Endorsement – Material Alteration – Paying Banker – Rights and Duties – Statutory Protection – Dishonour of Cheques – Role of collecting banker. BASEL II NORMS

### **Reference Books:**

1. Banking Law Theory and Practice – Sundaram and Varshney – Sultan Chand Co.
2. Banking and Financial Systems – B. Santhanam (Margham Publishers)
3. Banking Law Theory and Practice – S.N. Maheswari – Kalyani Publications
4. Indian Banking – Parameswaran – S. Chand and Co.
5. Banking Law Theory and Practice – Tanon
6. Banking Law Theory and Practice – Sherlaker & Sherlaker

### **Question Paper Pattern**

<b>Pattern</b>	<b>Total Questions</b>	<b>To answer</b>	<b>Marks per Question</b>	<b>Total Marks</b>
<b>Section A</b>	12	10	2	20
<b>Section B</b>	7	5	5	25
<b>Section C</b>	4	2	15	30

### **Instructions to Paper Setter:**

Section-A: Minimum 2 Questions to be asked from each of the five Units

Section-B: Minimum 1 Question to be asked from each of the five Units

Section-C: Minimum 1 Question to be asked from any four Units