

SARDAR PATEL UNIVERSITY
Programme: BCOM
Semester: III
Syllabus with effect from : JUNE 2012

Paper Code: UB03ECOM15	Total Credit: 3
Title Of Paper: Law and Practice of Banking	

Unit	Description in detail	Weighting (%)
1	Opening and Operations in Bank Accounts Procedure for opening an account – KYC norms – Nomination Different types of Customers Account – Individual – Joint – Minor Illiterate – Married Woman – Sole Proprietorship – Partnership –Joint Stock Company – HUF – Club and Societies - Trusts etc. Operations in the account - Standing Instructions, Stop Payment Instructions, Mandate and Power of Attorney Garnishee Order	25 %
2	Negotiable Instruments Types of Instruments – Holder and Holder in due course Cheques – Crossing – Definition, Types(General and Special) &Effects Endorsements – Definition, Significance and Types. Valid endorsements Material Alteration – Meaning, Examples and Effects. Marking – Bouncing – Dishonour of Cheques	25 %
3	Legal Protection to Banks Paying Banker – Duties – Payment in due course – Precautions to take in honoring cheques – Statutory Protection under Section 85 and 128 Collecting Banker – Duties – Holder for value – Agent – Conversion – Negligence – Statutory Protection under Section 131.	25 %
4	Ancillary Services Remittance Facility – D.D., M.T., T.T., Travelers Cheques etc. Collection and Clearing of Cheques Safe Custody and Safe Deposit Vaults Merchant Banking Guarantee and types of Guarantee	25 %

Basic Text & Reference Books

- Banking Law and Practice by P.N. Varshney (Sultan Chand & Sons)
- Banking – Theory, Law and Practice by Gordon and Natarajan (Himalaya Publishing)
- Banking Theory and Practice by P.K. Srivasatav (Himalaya Publishing House)
- Principles and Practice of Banking by Indian Institute of Banking and Finance (Macmillan)

