



Gyanmanjari
Innovative University

Course Syllabus

Gyanmanjari Institute of Commerce

Semester-5 (B.COM)

Subject: Banking Law & Practices - BCOBI15319

Type of course: Major (Core)

Prerequisite: A basic understanding of financial systems, economics, and commerce is important for studying Banking Law & Practices. Familiarity with legal concepts and financial terminology also helps in grasping banking regulations effectively.

Rationale: Banking Law & Practices provides essential knowledge of banking regulations, financial instruments, and the legal framework governing banks. Understanding these concepts equips students to navigate the banking sector, manage financial transactions, and address legal issues in banking operations effectively.

Teaching and Examination Scheme:

Teaching Scheme			Credits	Examination Marks			Total Marks
CI	T	P		C	SEE	CCE	
			MSE			ALA	
4	0	0	4	100	30	70	200

Legends: CI-Classroom Instructions; T-Tutorial; P-Practical; C-Credit; SEE-Semester End Evaluation; MSE- Mid Semester Examination; V - Viva; CCE-Continuous and Comprehensive Evaluation ; ALA-Active Learning Activities.

4 Credits * 25 Marks = 100 Marks (each credit carries 25 Marks)

SEE 100 Marks will be converted into 50 Marks

CCE 100 Marks will be converted into 50 Marks

It is compulsory to pass in each individual component



Course Content:

Sr. No	Course content	Hrs.	% Weightage
1	Introduction to Banking History of banking – Provisions of Banking Regulation Act 1949 – Components of Indian Banking – Indian Banking System – Phases of Development – Banking Structure in India – Public Sector Banks, Private Banks, Foreign Banks, RRB, UCB, Payment Banks, Small Finance Banks – Banking System – Branch Banking – Unit Banking – Universal Banking – Financial Inclusion.	15	25
2	Central Bank and Commercial Bank Central Banking: Definition – Need – Principles – Central Banking Vs Commercial Banking – Functions of Central Bank – Credit Creation. Commercial Banking: Definition – Functions – Personal Banking – Corporate Banking – Digital Banking – Core Banking System (CBS) – Role of Banks in Economic Development.	15	25
3	Banking Practice Types of Accounts CASA – Types of Deposits – Opening Bank Account – Jan Dhan Yojana – Account Statement Vs Passbook Vs e-statement – Banker Customer Relationship – Special Types of Customers – KYC Norms. Loan & Advance – Lending Sources – Lending Principles – Types of Loans – Classification of Assets and Income Recognition / Provisioning (NPA) – Repo Rate & Reverse Repo Rate – Securities of Lending – Factors Influencing Bank Lending.	15	25
4	Negotiable Instruments Act Negotiable Instruments – Meaning & Definition – Characteristics – Types of Negotiable Instruments. Crossing of Cheques – Concept – Objectives – Types of Crossing – Kind of Endorsement – Cheques Payable to Fictitious Person – Endorsement by Legal Representative. Negotiable Bank – Effect of Endorsement – Rules Regarding Endorsement. Paying Banker – Banker's Duty – Dishonouring of Cheque – Discharge Paying Banks – Payment of a Crossed Cheque – Refusal of Cheque Payment.	15	25



Continuous Assessment:

Sr. No.	Active Learning Activities	Marks
1	Banking History Case Study Faculty provide real-life case studies on the history and evolution of banking in India. Students discuss and write a summary. Write answer in Word file and upload on GMIU web portal.	10
2	Types of Banks Activity Faculty give students a task to identify and categorize different types of banks and their functions with examples. Write answer in Word file and upload on GMIU web portal.	10
3	NPA & Lending Principles Task Faculty provide real-world lending scenarios to analyze NPA classification and lending principles. Write answer in Word file and upload on GMIU web portal.	10
4	Negotiable Instruments Practice Faculty provide sample cheques and instruments for students to identify crossing types, endorsements, and analyze dishonour cases. Write answer in Word file and upload on GMIU web portal.	10
5	Digital Banking Comparison Faculty ask students to compare NEFT, RTGS, IMPS and UPI with real-life transaction examples and discuss safety measures. Write answer in Word file and upload on GMIU web portal.	10
6	KYC & Account Opening Task Faculty give students a mock account opening exercise and discuss KYC norms, Jan Dhan Yojana and banker-customer relationship. Write answer in Word file and upload on GMIU web portal.	10
7	Attendance	10
Total		70



Suggested Specification table with Marks (Theory): 100

Distribution of Theory Marks (Revised Bloom's Taxonomy)						
Level	Remembrance (R)	Understanding (U)	Application (A)	Analyze (N)	Evaluate (E)	Create (C)
Weightage	20%	20%	30%	20%	10%	-

Note: This specification table shall be treated as a general guideline for students and teachers. The actual distribution of marks in the question paper may vary slightly from the above table.

Course Outcome:

After learning the course, the students should be able to:	
CO1	Describe the history of banking, provisions of the Banking Regulation Act 1949, components of the Indian Banking System, and banking structure in India.
CO2	Distinguish between Central Bank and Commercial Bank, explain their functions, and understand the role of banks in economic development.
CO3	Apply knowledge of banking practice including types of accounts, deposits, KYC norms, lending principles, and NPA classification in real-life scenarios.
CO4	Understand and apply provisions of the Negotiable Instruments Act including crossing, endorsement, dishonor of cheques, and banker-customer legal duties.

Instructional Method:

The course delivery method will depend upon the requirement of the content and the needs of students. The teacher, in addition to conventional teaching methods by blackboard, may also use tools such as demonstrations, role play, Quiz, brainstorming, MOOCs, etc.

From the content, 10% of the topics are suggested for flipped-mode instruction. Students will use supplementary resources such as online videos, NPTEL/SWAYAM videos, and e-courses. The internal evaluation will be done on the basis of an Active Learning Assignment.

Practical/viva examination will be conducted at the end of semester for evaluation of the performance of students in the laboratory.



Reference Books:

- [1] Gordon, E., & Natarajan, K. (1992). *Banking*.
- [2] India. (1882). *The Negotiable Instruments Act, Act XXVI of 1881*.
- [3] Lloyd, E. (1917). *Banking Principles and Practice*.
- [4] *M L Tannan Banking Law & Practice in India*. (2017).
- [5] Shri. Prakash Misal. (2015). *Banking Law and Practices - Reference Book*. Success Publications.

