

VEER NARMAD SOUTH GUJARAT UNIVERSITY

**S.Y. B.Com.
Semester - IV**

**Banking-I (Law and Practice)
Principal & Subsidiary Paper-I
Syllabus (In Force from 2012-13)**

The objective of the paper is to give a broad idea of law and practice of banking with special reference to India.

Note:

1. The topics are to be studied with special reference to the legal principles and current practice prevailing in the country.
2. Detailed knowledge of various forms are not expected.

Semester-IV

1. Payments of customers cheques – precaution – payments in due course – marking of cheque when a banker is justified in refusing payment, wrongful dishonor of cheque, forgery of customer's signature – material alteration – countermanding payments of cheques and drafts, legal significance of notice- return of cheques under objections money paid by mistake – protection given to a paying banker. [25%]
2. Collection of customer cheques: The banker as a holder for value - conversion – collecting banker and his customer – precautions – duties of collecting banker – Recovery of money paid by mistake – protection given to a collecting banker. [25%]
3. Employments of bank's funds: loan and advances – general principles of sound lending – liquidity vs. profitability – forms of advances: loan, cash credit and overdraft, commitment charges – secured and unsecured loan – Modes of creating charge: Mortgage, hypothecation, pledge, lien – Difference between pledge and lien, pledge and bailment, pledge and hypothecation, mortgage and hypothecation, mortgage and pledge. Recovery of loan – legal steps. [40%]
4. Practical problems on any above topics [10%]

Reference books:

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|--------------------------------------|---------------|
| 1. Banking Law and Practice in India | M.L. Tannan |
| 2. Law and Practice of Banking | S.R.Dave |
| 3. Banking Law and Practice in India | V.N. Mugali |
| 4. Practice and Law of Banking | H.P.Sheldon |
| 5. Banking Law and Practice | P.N. Vesnneya |
| 6. બેંકિંગ કાનૂન અને વ્યવહાર | ધીરુભાઈ વેલવન |