

**B.Com Third Year
V Semester
Banking & Insurance-I**

Maximum Mark -50

Objectives:

1. To familiarize students with banking and practice of banking.
2. To equip the students with the knowledge of modern banking.
3. To develop employability of students in banking, financial and other economic sectors.

Unit- I Banking in India

- i. Meaning and definition of Bank, Banking and Banking Company.
- ii. Commercial Banks: Introduction, Structure of Commercial Banks in India, functions, credit creation by commercial Banks, Principle of liquidity and profitability.
- iii. Co-operative Banks: Introduction, Structure, organization and management, progress and problems.
- iv. Regional Rural Banks: Introduction, objectives, organization and management, progress and problems.

Unit – II Central Bank

The Reserve Bank of India: Introduction, organization and management General functions, regulation of money and credit supply, credit control measures.

Unit- III Banker and Customer

The relationship between a Banker and a customer, general relationship – special relationship, statutory obligation to honour cheques- Bankers lien. Duty to maintain secrecy of customers account, right to claim incidental charges, right to charge compound interest Banking Ombudsman.

Unit- IV Account of Customers:

- i. General precautions for opening accounts, KYC (Know Your Customer), Types of deposit accounts, Fixed deposit receipt, nomination, TDS.
- ii. Special types of customers, minor, married women, Drunkards, Lunatic; Partnership, Joint stock companies unincorporated bodies. Executor and administrators. Trusts accounts, Joint accounts.
- iii. Principles of sound lending, secured and unsecured advances, Forms of advances.
- iv. Modes of charging security : Lien, Pledge, Mortgage, Assignment, Hypothecation.

Unit- V Electronic Banking (E-Banking):

Introduction, Traditional banking v/s E-Banking, electronic delivery channels (ATMs, Smart cards, telebanking, internet banking,) E-banking transaction, Truncated cheques and electronic cheques, MCqh product, Advantages of E-Banking, constraints in E-Banking, security measures, RTGS & NEFT.

Suggested Book Readings:

1. **Cordon & Natarajan**, Banking Law and Practice 2008, Himalaya Publishing Mumbai.
2. **K.C. Shekher** : Banking Theory & practice, Vani Educational Books, Sahibabad (U.P.)