

| Course Code | Course Title | C | H | I | E | T |
|---|--------------------------|---|----|----|----|-----|
| 17U3KAC3 | Practical Banking | 4 | 75 | 25 | 75 | 100 |
| Learning Objectives | | | | | | |
| <ul style="list-style-type: none"> To know the practical aspects of banking Viz. Relationship between banker and customer, opening of accounts, NI Act, crossing and endorsement of Cheques To equip themselves on treatment of the various types of customers. To familiarize the concept of paying banker & collecting banker To impart knowledge about various modern services offered by the banker | | | | | | |
| Learning Outcomes: Thorough knowledge on practical aspects of banking and modern services offered by the banker | | | | | | |

Unit – I Introduction to Banking

Definition of Banking – Definition of Customer – Relationship between Banker and Customer – General and Special relationship – Obligation to honour a Cheque – Maintain Secrecy – Right of Lien – Right of Appropriation – Clayton’s case – Right-off Set-off.

Unit – II Opening of an Account & Types of Customers

General precautions and procedures – Types of Account – Savings Account, Current Account and Fixed Deposits – Features – Fixed Deposit Receipt and its Legal Implications.

Account of different Types of Customers – Minor – Illiterate – Lunatic – Married Women – Partnership firm – Joint Stock Company – Non- Trading concern and Joint account.

Unit – III Negotiable Instrument Act, 1881

Negotiable Instrument - Definition – Essential Features – Cheque – Definition – Features – Proper drawing of Cheque – MICR. Crossing – Types – Significance – Canceling of Crossing. Endorsement – Types – Rules of Endorsement – Material Alteration and its effects.

Unit – IV Paying Banker & Collecting Banker

Paying Banker – Meaning – Duties – Circumstance for Dishonouring a Cheque – Statutory Protection – Payment in Due Course and Holder in Due Course.

Collecting Banker – Meaning – Capacities – Rights and Duties – Statutory Protection – Concept of negligence and conversion.

Unit – V Subsidiary Services of Modern Banker

Demand Draft – ATM – Safety Locker – Credit Cards and Debit Card – Consultancy Services – Merchant Banking Services – E-Banking – Electronic Fund Transfer – RTGS – M-Banking - NEFT.

Book for Study

Gordon and Natarajan, *Banking Theory, Law and Practice*, Himalaya Publishing House, Mumbai

Books for Reference

1. P.N. Varshney, *Banking Law and Practice*, Himalaya Publishing House, Mumbai
2. B.Santhanam, *Banking Law and Practice*, Margham Publication, Chennai.
3. K.C. Shekhar & Lekshmy Shekhar, *Banking Theory and Practice*, Vikas Publishing House Pvt. Ltd., New Delhi.