

B.Com. (Hons.): Semester-V
DSE

BCM541: Banking Laws & Environment

Teaching Scheme	Examination Scheme
Lectures: 4hrs/Week	Class Test – 12Marks
Tutorials: 1 hr/Week	Teachers Assessment – 6Marks
	Attendance – 12 Marks.
	End Semester Exam – 70 Marks

Credits: 5

Course Objective

This course introduces the prevailing banking laws in India & develops a broad understanding of central banking and monetary issues. The main objective is to enable students to gain deep knowledge base of regulatory environment by way of RBI Act and Banking Regulation Act

Course Learning Outcomes

- After completing the course, the student shall be able to:
- Explain evolution of money and central banking system.
- Define the banking regulatory environment in the country.
- Understand the regulatory framework for banks through RBI Act.
- Describe the major provisions of Banking Regulation Act.
- Explain environmental issues that could affect working of banking sector.
- Understand various aspects of electronic banking.

I: Introduction

Evolution of Money, Evolution of Indian Banking System Kinds of Banks-Commercial Banks, Co-Operative Banks & Development Banks in India and their Functions;

II: Central Bank

Meaning & Functions of Central Bank, Principle and System of Note issues by Central Bank, Meaning, Objectives & Instruments of Monetary Policy, Recent Trends in Central Banking;

III: Regulatory Environment

Regulatory Environment for Bank Regulation, Major Provisions of RBI Act, 1934, Regulation by RBI for - Nature of Banking Business, Licensing, Capital Requirements, KYC, Relationship between Banker and customer; Bank's duty to customers; Banking Ombudsman, NPA, CRR & SLR, Critical evaluation of RBI, Prevention of Money Laundering Act, 2002 (PMLA).

IV: Electronic Banking and IT in Banks

Electronic Banking and IT in Banks: Funds Transfer mechanism: ECS, EFT, RTGS, NEFT; Clearing House operations: MICR, CTS; e-banking services; Cyber Crime & Fraud management. Case studies: ICICI Chanda Kochhar case, & Yes bank case, Credit Information Bureau of India Ltd.


V: Banking Regulation Act, 1949

Meaning & Major Provisions of Banking Regulation Act, Powers of RBI under Banking Regulation Act, Nationalization of Commercial Banks under Banking Companies (Acquisition of Undertakings) Act, 1970; Merger, Liquidation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (ARFAESI Act)


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References

Principles of Banking Law. New Delhi: Oxford University Press.
Lal, B. S. Practice and Law of Banking. New Delhi: Macmillan Indian Limited.
Law of Banking & Negotiable Instruments. New Delhi: Eastern Book Company
Theory of Banking: History, Law and Practice. New Delhi: Vista International Publishing


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