

**M.Com. Part I Semester II**  
**Advanced Banking & Finance Special Paper III**  
**Subject Name -: Banking Law & Practices**  
**Course Code -: 215.**

**COs :-**

- CO 1. To enable students to acquire sound Knowledge of banking laws and practices in India.
- CO 2. Students will understand aware about the latest developments in the field of banking law.
- CO 3. To enable the students to understand modern banking practices.
- CO 4. Students will understand establish a link between the legal provisions and the practical aspects of banking.
- CO 5. Students will understand Prevention of Money Laundering Act, 2002

**CSOs**

<b>Sr. No.</b>	<b>Course Name -: Banking Law &amp; Practices Course Code -: 215 M.Com I Sem II. Advanced Banking &amp; Finance Special Paper III</b>	<b>Course Specific Outcomes CSOs</b>
<b>1</b>	<b>Introduction to Prevention of Money Laundering Act, 2002 -:</b> Provisions relating to: Preliminary (Section 1 and 2), Offence of money laundering (Section 3 and 4), Attachment, adjudication and confiscation (Section 5 and 11), Obligation of banking companies, financial institutions and intermediaries (Section 12 and 15) Summons, searches and seizures (Section 16 and 24) The RBI guidelines regarding prevention of money laundering, The Prevention of Money Laundering (Amendment) Act, 2012	Students will understand Prevention of Money Laundering Act, 2002 and its Provisions
<b>2</b>	<b>The Foreign Exchange Management Act, 1999</b>  Provisions relating to: Preliminary (Sec 1-2), Regulation and management of foreign exchange (Sec 3 to 9) Authorized person (Section 10 to 12) Contravention and penalties (Section 13 to 15) Adjudication and appeal (Sections 16 to 21 and sections 34-35) Directorate of enforcement (section 36 to 38).	Students will understand Foreign Exchange Management Act, 1999.
<b>3</b>	<b>Asset - Liability Management -:</b> Definition of assets and liabilities, Asset liability mismatches on the grounds of locations, maturity, return and currency Risks while managing the assets and liabilities: Liquidity risk, Interest rate risk, Pre-mature withdrawal and pre- payment risk, Price Risk, Foreign exchange and sector based risk, Strategies to manage these risks, RBI guidelines for asset and liability management. Management of loan portfolio with special reference to Non Performing Assets (NPAs): Definition of NPA, Income Recognition and Asset Classification Norms (IRAC Norms), Reasons for rising NPAs, Strategic approach in reduction of Non Performing Assets, Management of investment Portfolio- Regulatory aspects, Overview of Basel I , II , and III	Understand the Asset - Liability Management, NPAs, IRAC Norms and Overview of Basel I and II
<b>4</b>	<b>Hi-tech banking and Mergers and Acquisition in banking sector and Banking Ombudsman Scheme 2006:-</b> <b>A. Hi-tech banking and Mergers and Acquisition in banking sector:</b>	Understand Hi-tech banking and Mergers and Acquisition in banking sector

	<p>Role and uses of Technology upgradation- Impact of Technology on Banks- Protecting the confidentiality and secrecy of data, Meaning of Merger and Acquisition: Recent cases of mergers and acquisition in Indian Banking sector, Consolidation of Banks, Impact of mergers amongst Public Sector Banks</p> <p><b>B. Banking Ombudsman Scheme 2006:-</b></p> <p><b>I. Role of Banking Ombudsman: Grounds of Complaint, Procedure for Filing Complaint; Power to Call for Information, Settlement of Complaint by Agreement, Award</b></p> <p><b>II. The Banking Codes and Standards Board of India : Customer Service , Grievances Redressal Mechanism</b></p>	
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**Evaluation Methods: Internal Examination test to identify slow learner and advanced learner**

### **Formative and Summative Evaluation**

Formative Evaluation : Knowledge, Understanding and Skills.

Summative Evaluation : PPT Presentation, Assignment, Mid Sem. Examination and University Examination

### **References**

1. Justin Paul and Padmalatha Suresh; Management of Banking and Financial Services
2. Gordon and Natarajan; Banking Theory, Law and Practice- by Himalaya Publishing House
3. Joshi Vasant C. and Joshi Vinay V.; Managing Indian Banks- The Challenges Ahead- Sage Publication Ltd.
4. Singh, Agarwal (2011); Internet Banking Technology, Raj Publishing House, Jaipur.
5. Banking Law and Practices- Mr. Prakash Misal, Success Publications.
6. All relevant and recent Bare Acts, Indian Institute of Bankers: Laws and Practices relating to banking
7. Indian Institute of Banking and Finance; Principles and Practices of Banking, Macmillan Publisher India Ltd.
8. Legal and Regulatory Aspects of Banking– Published by Indian Institute of Banking & Finance.
9. All relevant and recent Bare Acts, Indian Institute of Bankers: Laws and Practices relating to banking
10. All journals published by Indian Institute of Banking and Finance
11. Indian Banking Associations Bulletin
12. RBI Bulletin
13. Customer Service & Banking Codes and Standards: IIBF Publication
14. [www.rbi.org.in](http://www.rbi.org.in)