

INSTITUTE	FACULTY OF MANAGEMENT STUDIES
PROGRAM	BACHELOR OF BUSINESS ADMINISTRATION (HONS.)
SEMESTER	5
COURSE TITLE	FUNDAMENTALS OF BANKING
COURSE CODE	04BB0529
COURSE CREDITS	4

Course Outcomes: After completion of this course, student will be able to:

- 1 To comprehend role of banks in Indian financial system.
- 2 Analyze the role of central bank as controller of state's currency and interest rates.
- 3 Understand the wider range of functions done by Scheduled commercial banks in India.
- 4 Apply their understanding for procuring loans from bank and the security requirement.
- 5 Apply the Understanding of bank and customer relationship to gather the remedies available in case of breach of duties.

Pre-requisite of course:NONE

Teaching and Examination Scheme

Theory Hours	Tutorial Hours	Practical Hours	ESE	IA	CSE	Viva	Term Work
4	0	0	50	30	20	0	0

Contents : Unit	Topics	Contact Hours
1	Overview of Indian Banking System: -Bank: Definition and Characteristics, -Banks Indian Banking System: Evolution - Nationalization of Banks -Structure of Banks in India - Types of Banks - Recent Reforms In Indian Banking - International Security Issues In Banking Systems.	12
2	Central Banking in Indian -Central Bank: meaning & Definition and - The Principle of Central banking - History of central bank of India – constitution/ organization structure - Functions of central bank - Methods of Credit control: meaning, benefits and limitations of each of the methods of credit control. Monetary Policy: Meaning - Objectives: Price stability or control of inflation, Economic growth, Exchange rate stability –Instruments/ Tools of Monetary policy - Limitations of Monetary Policy.	12

Contents : Unit	Topics	Contact Hours
3	Commercial Banking & Licensing of Banking Companies Functions of commercial bank - Type of Banking - Balance sheet of commercial: liabilities and asset structure - Need for Sound Banking System -Role Of Banks in Economic Development- Various Deposit Schemes – Constitution of Banks - Licensing of Banking Companies; Branch Licensing	10
4	Loans and Advances Principles of Lending - Different Types of Borrowers - Types of Credit Facilities: Cash Credit, Overdraft, Demand Loans, Term Loans, Bill Finance - Securities for Banker's Loan -Attributes of Good Security (MAST Principle)- Bank Guarantees- Types of Bank Guarantees. - Non Performing Assets : Definition, Classification of Bank Advances on basis of Performance	8
5	Banker- Customer Relationship -Types Of Customers - Classified Of Banker Customer Relationship - Obligations Of A Banker- Garnishee Order And Attachment Order -Rights Of A Banker - 'Know Your Customer' (KYC) Guidelines Of The RBI- Termination Of Banker-Customer Relationship	6
Total Hours		48

Textbook :

- 1 Banking Law and Practice, M.L.Tannan, LexisNexis, 2017
- 2 Principles and Practices of Banking, MacMillan Publishers, MacMillan Publishers, 2021
- 3 Banking : Theory, Law & Practice, E. Gordon & K. Natarajan, Himalaya Publishing House, 2017

References:

- 1 Introduction to Banking, Introduction to Banking, Iyengar, Vijayaragavan, Excel Book, 2007
- 2 Banking Theory, Law and Practice, Banking Theory, Law and Practice, Gordon & Natarajan, HPH, 2012
- 3 Banking Theory and Practice, Banking Theory and Practice, K C Shekhar & Lekshmy Shekhar, S.Chand and Company, 2013
- 4 Management of Banking, Management of Banking, Macdonald Scott S. | Koch, Timothy W., Cengage Learning, 2009
- 5 Money and banking, Money and banking, Nadar E Narayanan, PHI, 2013

Suggested Theory Distribution:

The suggested theory distribution as per Bloom's taxonomy is as follows. This distribution serves as guidelines for teachers and students to achieve effective teaching-learning process

Distribution of Theory for course delivery and evaluation

Remember / Knowledge	Understand	Apply	Analyze	Evaluate	Higher order Thinking
10.00	20.00	25.00	25.00	10.00	10.00

Instructional Method:

- 1 THEORY