

PROGRAM	Bachelors of Commerce / Bachelors of Commerce (Hons)
SEMESTER	VI
COURSE TITLE	Principles and Practices of Banking- II
COURSE CODE	04BC0671
COURSE CREDITS	04
COURSE DURATION	48 Hrs. (48 sessions of 60 minutes each)

COURSE OUTCOMES:

- To evaluate the importance of loans and advances as an integral part of banking function
- To analyze various provisions proposed by government and RBI in controlling bank NPA's
- Understand various legal provisions affecting bankers and the precautions which a bank should undertake to avoid legal liability.
- To summarize the rights and obligations of a customer and a bank in regard to various situations in their relationship
- To know about available clause made by RBI to resolve and reduce variety of frauds in the banking industry
- To understand the various environmental factors that affect the banking industry and measure given by RBI to control the same

Teaching and Examination Scheme

Teaching Scheme (Hours)			Credits	Internal Marks (50%)		End-Semester Examination (50%)			Total Marks
Theory	Tutorial	Practical		IA	CSE	Theory	Practical/Viva	Term Work (TW)	
4	0	0	4	30	20	50	0	0	100

Course Contents:

Unit No	Unit / Sub Unit	Sessions
I	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 -Documentation: Types of Documents; Procedure; Stamping; Securitization.	10
II	Non-Performing Assets Definition - Income Recognition -Asset Classification -Provisioning Norms -Corporate Debt Restructuring (CDR): Revised Framework - Timelines for Large Accounts to be Referred under IBC, Prudential Norms, Supervisory Review -	10

	Restructuring of Advances of MSME -One Time Restructuring of existing loans to MSMEs -One Time Settlement (OTS) - BIFR (Board for Industrial and Financial Reconstruction) -Asset Reconstruction Companies (ARCs) -Debt Recovery Tribunals (DRTs) -Enforcement of security under SARFAESI	
III	Banker- Customer Relationship Who is Customer OF Bank -Types of Customers – Classification of Banker Customer Relationship – Duties of a Customer - Obligations of a Banker - Effect of Entries to Pass Book and Statement Of Account: - Garnishee Order and Attachment Order -Rights Of A Banker - Termination Of Banker-Customer Relationship	8
IV	Complaint Resolution Banking Ombudsman Scheme: The Banking Ombudsman Scheme 2006, Internal Ombudsman Scheme, 2018 for Scheduled Commercial Banks Ombudsman Scheme for Digital Transactions, 2019- Judicial Pronouncement	10
V	Risk Management in Banks and Basel Accords Salient requirements in respect of risk management in banks - Stages of Risk Management - Types of Risks in banking - Risk Management - Role Of RBI In Risk Management In Banks (CAMELS) - Reporting of Banking Risk -Risk Adjusted Performance Evaluation- Basel- I, II & III Accords.	10

SUGGESTED READINGS:

Text Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition & Year of Publication
T-01	M.L. Tannan	Banker's Manual- A commentary on Banking Laws and Allied Acts- Volume 1	Wadhwa Book Company	26 th edition, 2019
T-02	S.N. Gupta	The Banking Law in Theory and Practice- Volume 1	Wadhwa Book Company	6 th edition, 2018

Reference Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition and Year of Publication
R-01	MacMillan Publishers	Principles and Practices of Banking	MacMillan Publishers	5 th edition, 2021
R-02	The Institute of Company	Banking Law and	The Institute of	2014

	Secretaries Of India	Practice	Company Secretaries Of India	
R-03	MacMillan Publishers	Retail Banking	MacMillan Publishers	2018-2019
R-04	Viral V Acharya	Quest for Restoring Financial Stability in India	Sage Publication	1 st edition, 2020
R-05	M.N.Gopinath	Banking Principles and Operations	Snow White	7 th edition, 2017