

<b>INSTITUTE</b>	<b>FACULTY OF MANAGEMENT STUDIES</b>
<b>PROGRAM</b>	<b>BACHELOR OF BUSINESS ADMINISTRATION</b>
<b>SEMESTER</b>	<b>5</b>
<b>COURSE TITLE</b>	<b>FUNDAMENTALS OF BANKING</b>
<b>COURSE CODE</b>	<b>04BB0529</b>
<b>COURSE CREDITS</b>	<b>4</b>

**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

<b>Theory Hours</b>	<b>Tutorial Hours</b>	<b>Practical Hours</b>	<b>ESE</b>	<b>IA</b>	<b>CSE</b>	<b>Viva</b>	<b>Term Work</b>
4	0	0	50	30	20	0	0

<b>Contents : Unit</b>	<b>Topics</b>	<b>Contact Hours</b>
1	<b>Overview of Indian Banking System:</b> -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	<b>Central Banking in Indian</b> -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

<b>Contents : Unit</b>	<b>Topics</b>	<b>Contact Hours</b>
3	<b>Commercial Banking &amp; Licensing of Banking Companies</b> 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	<b>Loans and Advances</b> 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	<b>Banker- Customer Relationship</b> -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
<b>Total Hours</b>		<b>48</b>

**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
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<b>Remember / Knowledge</b>	<b>Understand</b>	<b>Apply</b>	<b>Analyze</b>	<b>Evaluate</b>	<b>Higher order Thinking</b>
10.00	20.00	25.00	25.00	10.00	10.00

**Instructional Method:**

- 1 THEORY