

BANKING II (FUNDAMENTALS OF BANKING- II)

100 Marks- 75 Lectures

To acquaint students with banks' negotiable instruments, banker-customer relationship, bank financial statements and banking regulations

Unit I Banker-Customer Relationship (30 Marks-23 Lectures)

Definition of customers, Different forms of bank-customer relationship - Bank as Debtor, Bank as Creditor, Bank as Trustee, Bank as Agent and Bank as Bailee.

Bank's Duties/Obligations - Obligation to honour cheques, Obligation to maintain secrecy of customer's accounts, Obligation for immediate credit of outstation cheques, Garnishee or Attachment order.

Bank's Rights - Bank's Lien, Right to Set-off, Right of appropriation of accounts, Right to charge interest/commission, Right of assignment.

Termination of banker-Customers relationship

Unit II Negotiable Instruments (20 Marks-15 Lectures)

Negotiable Instruments - Features of negotiable instruments, Promissory notes, Bills of exchange, Cheques and other instruments

Types of Cheques – Bearer and Crossed cheques(General Crossing and Special Crossing)

Endorsements-Meaning, Importance and Types.

Holder, Holder in due course, Paying banker, Collecting banker – duties, privileges and precautions needed to be taken..

Unit III Financial Statement Analysis of Commercial Bank (20 Marks- 15 Lectures)

Meaning and Significance of Financial Statement- Assets and Liabilities of a Bank, Revenue and Expense of a bank, Preparation of Bank's Financial Statement, Analysis of Bank Performance- Capital adequacy Rati, Assets Quality Ratio, Profitability Ratio, Liquidity ratio and Productivity Ratio

Unit IV Banking Regulation (30 Marks-22 Lectures)

Reserve Bank Of India – Functions- Traditional functions, Supervisory and Developmental Functions

Instruments of RBI's Monetary Policy(Quantitative and Qualitative).

Banking Ombudsman Act, and Credit Information Bureau (India) Ltd.

Books for Study and Reference:

Indian Institute of Banking and Finance, Principles and Practices of Banking, (2nd Edition)Macmillan Publication India Limited, New Delhi.

Indian Institute of Banking and Finance, Basics of Banking (Know your Banking- I),Taxman Publication Pvt.Ltd.New Delhi.

Indian Institute of Banking and Finance, Banking Products and Services, Taxman Publication Pvt. Ltd. New Delhi.

B. S. Khubchandani, Practice and Law of Banking, Macmillan Publisher India Ltd. New Delhi.

Gordon and Natarajan, Banking Theory, Law and Practice, (21st revision edition) Himalaya Publishing House Ltd., Mumbai

Dr. P. K. Srivastava, Banking Theory and Practice, Himalaya Publishing House Ltd.Mumbai.

P. N. Varshney, Banking Law and Practice, Sultan Chand and Sons, New Delhi.

D.Muraleedharan,Modern Banking Theory and Practice, PHI Learning Pvt.Ltd. New Delhi.

K. C. Shekhar and Lekshmy Shekhar, Banking Theory and Practice, Vikas Publishing House Pvt. Ltd. New Delhi.

O. P. Agarwal, Modern Banking In India, Himalaya Publishing House, New Delhi.

DR. K. M. Bhattacharya and O. P. Agarwal, Basic of Banking and Finance, Himalaya Publishing House Ltd. Mumbai.

H. L. Bediand V. K. Hardikar, Practical Banking and Advances USB Publishers Distribution Ltd. New Delhi.

Website.

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FinanceWWW.iibf.org.in Indian Bankers

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