

**B. COM**  
**Semester VI Banking & Financial Services**  
**Major 1 (Bank Management)**  
**(100 Marks – 75 Lectures)**

**Objective:** To introduce students with management of banking operations emphasizing financial statements, asset liability composition, bank marketing, CRM and management of risk and resource.

**Unit 1: Financial Statement Analysis (25 marks - 19 Lectures)**

**Balance Sheets of banks:** Meaning, components, items on liabilities and assets sides, their relative significance

**Balance Sheet Analysis:** Ratio analysis, CAMELS, other common techniques of balance-sheet analysis

**Income-Expenditure Statements of banks:** items in Income statements and Expenditure statements and their relative significance

**Unit 2: Asset-Liability Management (25 marks - 19 Lectures)**

**Asset-Liability Management:** definition & meaning, need and significance, objectives, benefits; ALM framework in banks in India – ALM Committee, ALM Information system, ALM Process

**Credit Management:** loan policy and principles of bank lending

**Management of Investments:** components of bank investments – SLR and non-SLR / approved and non-approved securities; Treasury operations – meaning, importance, trends in India

**Unit 3: Risk & Resource Management (25 marks - 19 lectures)**

**Risk – Meaning; Types of risks:** liquidity risk, credit risk, market risk (interest rate risk and currency risk), operational risk and systemic risk – meaning, sources, composition & management of these risks in banks

**Capital:** components of bank's capital;

**Deposits:** pricing of deposits – importance, methods; deposit insurance

**Non-deposit sources:** components, relative importance

**Unit 4: Bank Marketing and Customer Relationship Management (25 marks - 18 lectures)**

**Bank marketing:** meaning, objectives and importance, 7Ps of marketing of banking and financial services, marketing strategies; marketing of banking services in India – emerging trends

**Customer Relationship Management: Concept and importance, customer service in banks; emerging trends; Customer Grievance Redressal mechanism – Consumer Protection Act - major provisions, redressal machinery, types of deficiencies for which banks, are liable under the Act; Banking Ombudsman Scheme – scope of Banking Ombudsman, types of complaints, mechanism of redressal**

**Books for Study and Reference:**

**Gopal V. V. (ed.) (2004): *CRM in Banking: Concepts and Cases*, Hyderabad, ICFAI, 1e Indian Institute of Banking and Finance (2005): *Risk Management*, New Delhi, Macmillan Indian Institute of Banking and Finance (2009): *Principles & Practices of Banking*, New**

**Delhi, Macmillan, 2e**

**Joshi V. C. & Joshi V. V. (1998): *Managing Indian Banks – The Challenges Ahead*, New Delhi, Response**

**Justin P. & Padmalatha S. (2007): *Management of Banking & Financial Services*, New Delhi, Pearson**

**Koch T. W. & MacDonald S. S. (2003): *Bank Management*, Singapore, Thomson, South-Western Publishing, 5e**

**Nagarajan N. (ed.) (2004): *Bank Economists' Conference, 2002 – Vol. I & II, Indian Banking: Managing Transformation – Structure*, Hyderabad, ICFAI, 1e**

**Satish D. (ed.) (2004): *Currency Risk Management: Concepts and Cases*, Hyderabad, ICFAI, 1e**

**Subbulakshmi V. (ed.) (2004): *Operational Risk Measurement & Management*, Hyderabad, ICFAI**

**Vijaychandra Kumar C. (ed.) (2004): *Credit Risk Management: Concepts and Cases*, Hyderabad, ICFAI, 1e**

**Vijayaragavan G. (2009): *Bank Credit Management: Text & Cases*, Mumbai, Himalaya**

**Websites:**

**[www.iba.org.in](http://www.iba.org.in)**

**[www.iibf.org.in](http://www.iibf.org.in)**

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