

SEMESTER I
Foundation Course BANKING I
(FUNDAMENTALS OF BANKING- I)

100 Marks- 75 Lectures

To acquaint students with basics of banking, structure, functions, types of customers and accounts and electronic banking operations.

Unit I Introduction to Banking in India (15 MARKS-10 Lectures)

Origin of Modern banking in India, Meaning and Definition of Banking as per the Banking Regulation Act 1949.

Structure of commercial banking in India- Scheduled and Non-scheduled banks, Public sector banks, Private sector banks, Foreign banks, Local area banks, Regional rural banks.

Types, Features, Merits and Demerits of Banking – Group and Chain Banking, unit & Branch Banking, Investment Banking, Mixed Banking and Universal Banking.

Unit II Functions of banks (35 MARKS-25 Lectures)

Accepting deposits-Importance of deposits, Classification& features of deposits- Demand deposits,(Current account deposits, Saving account deposits ,Pigmy deposits and call deposits)Term deposits,(Fixed deposits, Recurring deposits) and Hybrid deposits or Flexi deposits.

Loans and Advances - Importance of lending, Principles of lending.

Different types of lending facilities -Cash credit, Overdraft, loans,(Demand loans, Medium term loan and Long term loans)

Bills purchased and Bills discounted, project finance, Loan syndication and Bridge loan.

Agency services and miscellaneous services.

Unit III Types of Customers and Their Accounts (25 MARKS-20 Lectures)

Types of customers - Individual, Illiterate persons, Hindu Undivided Family, Firms, Companies, Trusts, Club, Local Authorities and Co-operative societies

Opening of deposits accounts, Need for identity proof and proof of residence, Know your customers (KYC), Guidelines of the RBI, Introduction, Specimen Signature, Nomination, Pass book, Statement of accounts, Pay-in slip, Withdrawal slip, Pay order, Demand draft, Cheque book and ATM card.

Power of attorney/Mandate and Closing of accounts.

Non-Resident Accounts- Features of NRO, Foreign currency non-resident (FCNR) account and Non-resident (External) (NRE) accounts.

Unit IV Retail Banking and Electronic Banking (25MARKS - 20 Lectures)

Introduction to Retail banking in India, meaning of Retail banking, Retail Loan products - Home loans, Auto loans, Consumer loans.

Electronic Banking - Introduction, Impact of information technology on banking, Automated Teller Machines (ATMs), Telephone Banking, Mobile banking, Internet banking, Electronic Funds transfer, different types of cards – Debit and Credit Card, Green card.

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. Bedi and V. K. Hardikar, Practical Banking and Advances USB Publishers Distribution Ltd. New Delhi.

Website.

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Finance WWW.iibf.org.in Indian Bankers

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