

COURSE TITLE: OVERVIEW OF BANKING

UNIT I : Indian Financial System – The Financial System , Nature , Evolution and Structure ,The functions of Financial Intermediaries , Financial Instruments , The Role Of Financial System in Economic Development , The Indian financial System. The Origin and Growth of Banking – History , The Indian Banking System , Commercial Banking in India , functions of Commercial banks , Challenges and trends in banking , Universal banking , CRM in Banks , Are banks dying?

UNIT II: Sources and uses of Funds in a Bank: A Bank's Balance sheet – Statement of Sources and uses of Funds, A bank's Profit and loss Account, Books of Accounts in Banks. Deposit products – Types of bank deposits offered by banks, Interest rates offered on different types of deposits, Composition of bank deposits. Credit policy – Need for Credit policy , Components of Credit Policy , Credit policy pursued by the government , Credit culture. Lending Activities – lending Activity, Basics of Requirements for lending

UNIT III: Retail banking – retail Banking Scenario, Types of consumer Loans, Limitations of Credit Scoring. Corporate Banking- The nature of corporate banking, Developments in Corporate banking, Consortium finance, multiple banking Arrangements, loan Syndication, The Syndication process. Rural Banking – Sources of Rural Finance, Credit delivery Mechanism in Rural finance, Multi Agency Approach, Regional rural banks (RRBS), Service Area Approach (SAA), National Bank for Agriculture and rural Development (NABARD)

UNIT IV: Securitization – Meaning Securitization, Process of Securitization, Fee- based Services – letters of Credit – Bank guarantees, Subsidiary, Services, off balance Sheet Activities. Plastic money – introduction , parties to the transaction , Salient Features , concepts of a Credit Card , Distinction between credit card , charge Card , Debit card and Operational aspects , product Augmentation , Credit card business in India , the Emerging Scenario. Management of IPO – reasons for going public, management of public issues and initial public offerings, Marketing of Issues, Post, issue Activities.

UNIT V: Regulatory Framework: RBI, Structure, Role of RBI, Banking Regulation and Supervision, Monetary policy, Banking Regulation Act – SEBI. Banking law and Regulations – Legal perspectives of banking, overviews of Laws Related to banking. Banking regulation Act, 1949 – Business of Banks, Business prohibited for banks, licensing of banking companies , Restrictions on loans and Advances , Management of banking Companies.

Text Book:

1. An Overview of Banking , The Icfai University Press

Reference Books:

1. Banking Theory Law & Practice , Sundaram and Varshney/Sultan Chand and Sons
Publisher, year 2004 Edition.

2. Indian Financial system, Theory and Practice by M Y Khan ,TMH 4th Edition

3. Money Banking and International Trade by KPMsundharam /sultan Chand and sons, 2002
Edition.