

**NIRMA UNIVERSITY**  
**Institute of Commerce**  
**Bachelor of Commerce (Hons.)**  
**[B.Com. (Hons.)]**  
**Semester – V**

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<b>Course Code</b>	<b>DSE-B-2</b>
<b>Course Title</b>	<b>BANKING</b>

**Course Learning Outcomes (CLO):**

At the end of the course, students will be able to:

- Explain the structure of banking system in India.
- Illustrate different functions of a bank.
- Interpret the regulatory structure of bank governance.
- Appraise the electronic mode of banking and information technology architecture supporting it.

**Syllabus**

**Teaching Hours**

<p><b>Unit I: Introduction to Indian Banking System</b></p> <ul style="list-style-type: none"> <li>• Brief history of banking in India; Laws affecting banking</li> <li>• Types of Banks and Functions: Commercial Banks, Development Banks, Cooperative Banks; Nationalized and Private Banks, RRBs, NBFCs</li> </ul>	8
<p><b>UNIT II: Fund Based Banking: Bank Deposits and Lending</b></p> <ul style="list-style-type: none"> <li>• Different types of deposits accepted by banks: current-savings-recurring-reinvestment, <i>etc</i></li> <li>• Long term bank lending: Term loans, project financing</li> <li>• Short term lending: determination of MPBF, Overdraft and Cash credits, General lending aspects-securities for loan</li> <li>• External rating and pricing of loans</li> </ul>	12
<p><b>Unit III: Fee Based Banking</b></p> <ul style="list-style-type: none"> <li>• Guarantees and letter of credits, remittance and fund transfers, franking services etc.</li> </ul>	5
<p><b>Unit IV: Bank Governance</b></p> <ul style="list-style-type: none"> <li>• RBI – Role, Organization, Management, Functions of Central Bank of India</li> <li>• Organizational and Functional developments over time, Recent Developments</li> <li>• Demand and Time Liabilities and Reserve Ratios</li> <li>• Tier system of Capital- Basel Committee norms</li> <li>• Non- performing Assets &amp; their recovery</li> </ul>	10

<p><b>Unit V: e-Banking in India</b></p> <ul style="list-style-type: none"> <li>• Introduction to e-Banking in India; Difference between traditional and e-banking; Internet Banking, Mobile Banking, ATMs, Credit and Debit Cards, POS Terminals, Payment and settlement systems – IMPS, National Automated Clearing House, Cheque truncation system, National Financial Switch, RTGS, NEFT, IFSC</li> <li>• Security challenges and threats in e-banking</li> </ul>	12
<p><b>Unit VI: Core Banking Systems</b></p> <ul style="list-style-type: none"> <li>• Components and Architecture of CBS and related risks and controls.</li> <li>• Core modules of banking and business process flow and its related risks and controls. Reporting systems and MIS, Data Analytics and Business Intelligence.</li> <li>• Applicable regulatory and compliance requirements</li> </ul>	13

### **Suggested Readings:**

Indian Institute of Banking and Finance, *Principles & Practices of Banking*, Macmillan, New Delhi.

Machiraju, H. R., *Modern Commercial Banking*, New Age International Publishers, New Delhi.

Shetty, M. S., *Banking in India*, Atlantic Publishers and Distributors Pvt Ltd, New Delhi.

Pathak, B., *Indian Financial System*, Pearson India, New Delhi.

Khan, M. Y., *Indian Financial System*, McGraw Hill, New Delhi.

Bhole, L. M and Mahakud, J., *Financial Institutions and Markets*, McGraw Hill, New Delhi.

w.e.f. Academic Year 2018-19 and onwards