

NIRMA UNIVERSITY

Institute:	Institute of Commerce
Name of Programme:	B.Com. (Hons.)
Course Code:	3CC201DC24
Course Title:	Introduction to Banking
Semester	V
Course Type:	Core Course
Year of introduction:	2024-25

L	T	Practical component				C
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Course Learning Outcomes (CLO):

After successful completion of this course, students will be able to:

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| 1. Explain the regulatory structure of the banking system in India. | BL2 |
| 2. Illustrate the different functions of a bank. | BL2 |
| 3. Identify credit risk and credit rating of clients | BL3 |
| 4. Illustrate the investment banking and project management services provided by banks. | BL4 |
| 5. Appraise the electronic mode of banking in India. | BL-5 |

Content:

Syllabus

Total Teaching hours: 45
Teaching hours

Unit I: Introduction to Banking

- Role of Banks - Theories of financial intermediation, types of banking: retail, private, corporate, investment, international banking services 10
- Structure of Indian banking system
- Brief on Banking Regulation Act, 1949

Unit II: Bank Governance

- RBI – Role, Organization, Management, Functions of Central Bank of India 5
- Organizational and Functional developments over time
- Demand and Time Liabilities and Reserve Ratios - Tier system of Capital- Basel Committee norms - non-performing assets & their recovery.

Unit III: Investment Banking

- Meaning and scope of Investment Banking. 7
- Merchant Banking - Mergers and Acquisitions, Divestitures.
- Corporate advisory services – Corporate Finance.

Unit IV: Project and Infrastructure Finance

- Characteristics of Project Finance - International competitiveness and SWOT analysis. 7

Financial Analysis - Sensitivity analysis Common risks in projects.

Unit V: Rating & Credit Risk Process

- Creditworthiness, Rating categories, Probability of default, Rating system, Information management, Segregation of duties within the banking appraisal process, Basel II and III) 6
- CIBIL Score
- Consumer Rating Agencies and network

Signature

Unit VI: 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, Security challenges and threats in e-banking
 - CBDC, UPI, NPCI, and recent developments in the payment systems
 - SEPA - Cash pooling
- 10**

Suggested Readings/ References:

1. Bhole, L. M., & Mahakud, J., (2019), Financial Institutions & Markets, India: McGraw-Hill Education (India) Pvt Limited, New York.
2. Casu, B., Girardone, C., & Molyneux, P. (2015). Introduction to Banking. Pearson Education, United Kingdom.
3. Indian Institute of Banking and Finance, Principles and Practices of Banking (For JAIIB Examinations). (2023), Macmillan India Limited, London.
4. Pathak, B. V. (2019). Indian Financial System. India: Pearson Education India.

w.e.f. Academic Year 2024-25 and onwards