

FYBCOM
Subject: Banking and Finance
Title; Fundamentals of Banking

Semester I	Subject Code: AC11507	Lectures: 48
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Objectives:

- To equip the students a clear understanding of
 - The fundamentals of banking theory
 - Banking business and practices
- To introduce the student to the recent developments in Banking

1: Structure of Banking

06

- Structure of Banking
- Functional Classification of Banks
 - Universal Banking
 - Islamic Banking
 - Green Banking

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Subject Teacher-Mrs. Meenal Sumant *Meenal Sumant*

Subject Experts- Dr. Girija Lagad *Girija Lagad*

Subject Expert- Dr.Saili Belsare *Saili Belsare*

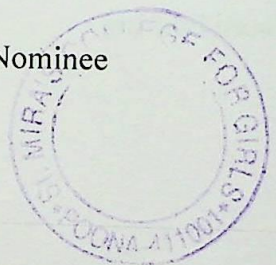
Industry Expert- Mr. Vijay Haldavnekar *Vijay Haldavnekar*

Alumnus Mrs. Suchismita Mohanty *Suchismita Mohanty*



2: Functions of Commercial Banks	14
<ul style="list-style-type: none"> • Primary Functions <ul style="list-style-type: none"> ○ Acceptance of Deposits ○ Advancing of Loans and Investments ○ Credit Creation by Banks: Process & Limitations • Secondary Functions • Agency and General Utility Services 	

3: Opening and Operating of Accounts	10
<ul style="list-style-type: none"> • Different types of Deposit Accounts • Procedure of Opening of Account- <ul style="list-style-type: none"> ○ KYC – Need and Importance, ○ Documentation-Identity and Address Proof • Introduction <ul style="list-style-type: none"> ○ Meaning & Importance • Nomination <ul style="list-style-type: none"> ○ Meaning ○ Legal provisions for Appointment of a Nominee • Closure of Accounts <ul style="list-style-type: none"> ○ Reasons for Closure of Account/s 	



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4: Calculation of Rate of Interest

08

- Calculation of Interest on Deposit Accounts
 - Fixed Deposit Account
 - Recurring Deposit Account
- Calculation of Equated Monthly Installments (EMI) on Loans
 - Traditional Method of Interest Calculation
 - Modern Method of Interest Calculation

5: Retail Banking

10

- Retail Banking
 - Meaning and Importance
 - Distinction between Retail and Corporate Banking
 - Retail products:
 - a) Deposits- Product Differentiation
 - b) Loans -Home Loans, Vehicle Loans, Personal Loans and Educational Loans
 - c) Services – Credit cards, Debit Cards, Smart Cards
 - d) New Areas-Private Banking, Wealth Management, Asset Management, Insurance, Stock Brokerage



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Suchismita Mohanty

Arwah Madan
Girija Lagad
Vijay Haldavnekar

Reference Books:

1. Sarkar A. N. "Green Banking", Atlantic Publisher and Distributors, (2014).
2. Gordon E. and Natarajan K., "Banking Theory Law and Practice", Himalaya Publishing House, 15th edition. (2001)
3. Shekhar K C , "Banking Theory and Practice", Vikas Publishing House Ltd. (1997)
4. Maheshwari S N, "Banking Law and Practice", Kalyani Publishers
5. Radhaswamy M, "Practical Banking" S. Chand and Co.
6. Shekhar K C and Shekhar L, "Banking Theory and Practice", Vikas Publishing House, New Delhi, 18th edition, 1999
7. Tannan M L, "Banking Law and Practice in India" India Law House, New Delhi, 2002
8. Varshney P N, "Banking Law and Practice" Sultan Chand and Sons.
9. Vaish MC, "Modern Banking", Oxford and IBH Pub. Co.
10. S.S. Kaptan, "New Concepts In Banking" Sarup and Sons, Daryaganj, New Delhi, 2002.



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Semester II

Subject Code: AC21507

Lectures: 48

Objectives:

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 - The fundamentals of banking theory
 - Banking business and practices
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1: Lending and Investment Functions of a Bank

10

- Principles of Lending
 - Safety
 - Liquidity
 - Profitability
 - Diversification of Risks
- Balance Sheet of a Bank
 - Liability side
 - Asset side
 - Importance of Balance Sheet



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2: Types of Customers

14

- Individual Customers :
 - Single and Joint Accounts
 - Minor
 - Married Woman
 - Executors and Administrators
 - Non Resident Indian
- Institutional Customers Partnership Firm :
 - Partnership Firm
 - Trust
 - Joint Stock Companies
 - Societies
 - SHGs



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3: Negotiable Instruments

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- Negotiable Instruments
 - Meaning and Definition
 - Features
- Types of Negotiable Instruments
 - Bill of Exchange – Features & Parties
 - Promissory Note – Features & Parties
 - Cheque – Features & Parties, Types of Cheques, Crossing of Cheque & Types of Crossing
 - E-Cheque- Meaning, Advantages & Disadvantages

4: Technology in Banking

08

- E-Banking
 - Meaning & Facets of E-banking
 - Advantages & Disadvantages
- Core Banking
 - Meaning,
- Internet banking, Mobile Banking



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5: Technology in Banking -Remittances

08

- NEFT (National Electronic Funds Transfer)
 - Meaning
 - Advantages
 - Disadvantages
- RTGS (Real Time Gross Settlement)
 - Meaning
 - Advantages
 - Disadvantages
- EFT (Electronic Fund Transfer)
 - Meaning and Types – ECS - Credit and ECS - Debit
 - Advantages
 - Disadvantages

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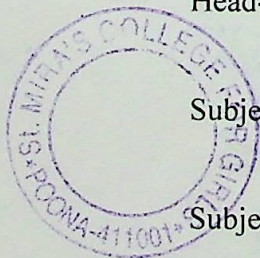
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6. Singh Abha. "E-Banking". ABD Publishers, Delhi. 2012.
7. Dr. Joshi V. N. "E-Banking in India". Garima Prakashan, Kanpur. 2013.
8. Shah M. R. "Net Banking". Book Enclave, Jaipur. 2012.

Websites:

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