B. COM
Banking & Financial Services
Major 1

(Modern Banking Operations and Services)

(100 Marks – 75 Lectures)

Objective:
To acquaint students with key functions of banking institutions, information technology-based products, different financial services and current issues and emerging trends in modern banking operations.

Unit 1: Functions of Banks  (25 marks – 19 Lectures)

Accepting deposits – demand and time deposits - deposits at call and short notice, saving, current, fixed, recurring, pigmy and hybrid/flexi deposits; d-mat accounts;
Deployment of loans and advances – business credit (working capital finance - cash credit, revolving credit, overdraft, lines of credit, business credit cards, kisan cards, short-term loans, bill purchase & bill discounting, and term finance) and retail credit (credit cards, consumer loans, personal loans, gold loans, home loans)

Remittances
Agency services
General utility services

Unit 2: Information Technology in Banking  (25 marks - 19 Lectures)

Bank computerization – need & importance; electromagnetic cards – ATM cards, credit cards, add-on cards, charge cards, debit cards, smart cards; payments and settlement systems – conventional systems in brief – cheques (including MICR cheques), demand drafts & pay orders and their clearing, drawbacks/difficulties of these systems; electronic payments & settlement systems – Automated Teller Machine (ATM), Electronic Clearing System (ECS), National Electronic Funds Transfer (NEFT), Real-Time Gross Settlement (RTGS), cheque truncation, electronic cheques; core banking; electronic banking; internet banking; mobile banking; security considerations and cyber crime – types of cyber crime in banking, precautions to be taken by bankers and customers

Unit 3: Banks and Financial Services  (25 marks - 19 Lectures)

Merchant/investment banking, leasing, factoring, forfaiting, mutual funds, portfolio management, wealth management, bancassurance, loan syndication, consumer finance, retail banking, securitization, stockbroking

(14-15 lectures)
Financial inclusion – RBI definition, meaning, recommendations of Rangarajan Committee
Corporate Governance - Meaning and importance; issues, principles and practices of corporate governance in Indian banks
Consolidation in banks - Mergers and Acquisitions – Rationale for M&A in Indian banking; a study of post-reform mergers and acquisitions in the Indian banking sector – their objectives, benefits and problems
Universal Banking – meaning, rationale, merits & demerits

Books for Study and Reference:

Deva V. (2005): E-Banking, New Delhi, Commonwealth
Dewan B. (2011): E-Commerce, New Delhi, S. Chand

Websites: www.iba.org.in www.iibf.org.in www.rbi.org.in