Objective: To introduce students with management of banking operations emphasizing financial statements, asset liability composition, bank marketing, CRM and management of risk and resource.

Unit 1: Financial Statement Analysis (25 marks - 19 Lectures)

Balance Sheets of banks: Meaning, components, items on liabilities and assets sides, their relative significance
Balance Sheet Analysis: Ratio analysis, CAMELS, other common techniques of balance-sheet analysis
Income-Expenditure Statements of banks: items in Income statements and Expenditure statements and their relative significance

Unit 2: Asset-Liability Management (25 marks - 19 Lectures)

Asset-Liability Management: definition & meaning, need and significance, objectives, benefits; ALM framework in banks in India – ALM Committee, ALM Information system, ALM Process
Credit Management: loan policy and principles of bank lending
Management of Investments: components of bank investments – SLR and non-SLR / approved and non-approved securities; Treasury operations – meaning, importance, trends in India

Unit 3: Risk & Resource Management (25 marks - 19 lectures)

Risk – Meaning; Types of risks: liquidity risk, credit risk, market risk (interest rate risk and currency risk), operational risk and systemic risk – meaning, sources, composition & management of these risks in banks
Capital: components of bank’s capital;
Deposits: pricing of deposits – importance, methods; deposit insurance
Non-deposit sources: components, relative importance

Unit 4: Bank Marketing and Customer Relationship Management (25 marks - 18 lectures)

Bank marketing: meaning, objectives and importance, 7Ps of marketing of banking and financial services, marketing strategies; marketing of banking services in India – emerging trends
Customer Relationship Management: Concept and importance, customer service in banks; emerging trends; Customer Grievance Redressal mechanism – Consumer Protection Act - major provisions, redressal machinery, types of deficiencies for which banks, are liable under the Act; Banking Ombudsman Scheme – scope of Banking Ombudsman, types of complaints, mechanism of redressal

Books for Study and Reference:


Websites:

www.iba.org.in
www.iibf.org.in
www.rbi.org.in