SEMESTER I
Foundation Course BANKING I
(FUNDAMENTALS OF BANKING- I)
100 Marks- 75 Lectures

To acquaint students with basics of banking, structure, functions, types of customers and accounts and electronic banking operations.

Unit I Introduction to Banking in India (15 MARKS-10 Lectures)
Origin of Modern banking in India, Meaning and Definition of Banking as per the Banking Regulation Act 1949.
Structure of commercial banking in India- Scheduled and Non-scheduled banks, Public sector banks, Private sector banks, Foreign banks, Local area banks, Regional rural banks.
Types, Features, Merits and Demerits of Banking – Group and Chain Banking, unit & Branch Banking, Investment Banking, Mixed Banking and Universal Banking.

Unit II Functions of banks (35 MARKS25 Lectures)
Accepting deposits-Importance of deposits, Classification& features of deposits-Demand deposits,(Current account deposits, Saving account deposits ,Pigmy deposits and call deposits)Term deposits,(Fixed deposits, Recurring deposits) and Hybrid deposits or Flexi deposits.

Loans and Advances - Importance of lending, Principles of lending.

Different types of lending facilities -Cash credit, Overdraft, loans,(Demand loans, Medium term loan and Long term loans)

Bills purchased and Bills discounted, project finance, Loan syndication and Bridge loan.

Agency services and miscellaneous services.

Unit III Types of Customers and Their Accounts (25 MARKS-20 Lectures)
Types of customers - Individual, Illiterate persons, Hindu Undivided Family, Firms, Companies, Trusts, Club, Local Authorities and Co-operative societies

Power of attorney/Mandate and Closing of accounts.

Non-Resident Accounts- Features of NRO, Foreign currency non-resident (FCNR) account and Non-resident (External) (NRE) accounts.

Unit IV Retail Banking and Electronic Banking (25MARKS - 20 Lectures)

Introduction to Retail banking in India, meaning of Retail banking, Retail Loan products - Home loans, Auto loans, Consumer loans.

Electronic Banking - Introduction, Impact of information technology on banking, Automated Teller Machines (ATMs), Telephone Banking, Mobile banking, Internet banking, Electronic Funds transfer, different types of cards – Debit and Credit Card, Green card.

Books for Study and Reference:


Indian Institute of Banking and Finance, Basics of Banking (Know your Banking- I), Taxman Publication Pvt. Ltd. New Delhi.

Indian Institute of Banking and Finance, Banking Products and Services, Taxman Publication Pvt. Ltd. New Delhi.

B. S. Khubchandani, Practice and Law of Banking, Macmillan Publisher India Ltd. New Delhi.


P. N. Varshney, Banking Law and Practice, Sultan Chand and Sons, New Delhi.


O. P. Agarwal, Modern Banking In India, Himalaya Publishing House, New Delhi.


Website.

Reserve Bank of India [WWW.rbi.org.in](http://WWW.rbi.org.in)

Indian Institute of Banking and Finance [WWW.iibf.org.in](http://WWW.iibf.org.in) Indian Bankers Association [WWW.iba.org.in](http://WWW.iba.org.in)