

SARDAR PATEL UNIVERSITY
Programme: BCOM
Semester: I
Syllabus with effect from: June 2011

Paper Code: UB01ECOM15	Total Credit: 3
Title Of Paper: Fundamentals of Banking	

Unit	Description in detail	Weighting (%)
1	Introduction to Banking and Functions of Commercial Banking Meaning and Origin of the word 'Bank' and Evolution of Banking In the West and in India Types of Banks and Role of Banks in Economic Development Meaning and function of commercial banks Different types of accounts - Current , saving , fixed deposits, NRI Methods of Remittances- Demand Drafts, Telegraphic Transfers, Travellers Cheque, SWIFT	25 %
2	Banker -Customer Relationship and Negotiable Instruments Legal framework of Banker-customer relationship Banker's Disclosure, Termination of Relationship Bankers right of Lien and Set-off Meaning and characteristics of Negotiable Instruments- Cheque, Bills of Exchange and Promissory Notes	25 %
3	Lending Principles, Credit Creation and Balance Sheet of a Bank Principles of sound lending Purpose, Safety, Security, Liquidity, Profitability and Diversification of risks Conflict between Liquidity and Profitability Credit Creation by Banks – Process and Limitations Balance Sheet of a Commercial Bank.	25 %
4	Overview of Electronic Banking Meaning and Benefits of E-Banking Innovations in Banking due to Technology Automated Teller Machines, Telebanking, Internet Banking, Mobile Banking Electronic Funds Transfer, ECS, Advantages of ECS Risk Management for E-Banking	25 %

Basic Text & Reference Books

- Fundamentals of Banking- Dr. G.V. Kayandepatil
- Banking and financial system –Mithani & Gordon Himalaya Publishing House
- Fundamentals of Banking - Dr. R. S. Swami
- Banking and Financial System - Vasant Desai.

