

SARDAR PATEL UNIVERSITY
PROGRAMME: B.COM. (HONS') (3 Years)
(Corporate Banking & Insurance)
(Under Choice Based Credit System Based on UGC Guidelines)
Syllabus with effect from: June-2019

Semester: I

Paper Code: UB01DCOH53	Total Credits: 4
Title of Paper: Fundamentals of Banking	
Objective : The objective of this course is to impart knowledge about fundamental concepts of banking and provide background for advance banking sector study.	

Unit No.	Description in Detail	Weightage
1	INTRODUCTION TO BANKING <ul style="list-style-type: none"> • Meaning and function Banks • Types of Banks and Role of Banks in Economic Development • Different types of accounts - Current , Saving , Fixed deposits, Recurring Deposits, NRI • Methods of Remittances- Demand Drafts, Telegraphic Transfers, Traveler's Cheque • RTGS (Real Time Gross Settlement) 	25%
2	BANKER -CUSTOMER RELATIONSHIP <ul style="list-style-type: none"> • Legal framework of Banker-customer relationship • Banker's Disclosure, Termination of Relationship • Bankers right of Lien and Set-off • The Banking Ombudsman Scheme,1985 • Meaning and characteristics of Negotiable Instruments-Cheque, Bills of Exchange and Promissory Notes-A Brief Overview 	25%
3	LENDING PRINCIPLES AND BALANCE SHEET OF A BANK <ul style="list-style-type: none"> • 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	THE BANKING REGULATION ACT,1949 <ul style="list-style-type: none"> • Object of the Act • Banking business • Various terms under the Act- • Management, Resource, Capital, Dividend, Reserve • Fund, Loan& Advances, Licensing ,Winding Up • Regulations of Banking Business –Power to issue directions, Acceptance of Deposits, Nominations, Loan &Advance 	25%

Evaluation : Internal : 40 Marks (Theory)
: External: 60 Marks (Theory) – Two Hours Examination

Tutorial : Credit – 1 Marks – 25

5	Total Twenty questions from Unit 1 to 4, shall comprise as a part of Journal, which shall be maintained by the students.	25%
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Evaluation : Internal : 25 Marks

Journal shall be evaluated by the concerned teachers.

Reference Books:

- Banking Law and Practice by Mona Tanna & Manish Tanna, Himalaya Publishing House
- Banking Theory, Law and Practice by E. Gordon & K. Natarajan, Himalaya Publishing House
- Practice and Law of Banking by B S Khubchandani, MacMillan India Ltd
- Principals & Practices of Banking by Indian Institute of Banking & Finance, MacMillan India Ltd
- Legal Aspects of Banking by Indian Institute of Banking & Finance, MacMillan India Ltd