

# SOLAPUR UNIVERSITY, SOLAPUR



NAAC Accredited-2015  
'B' Grade (CGPA 2.62)

*Name of the Faculty:*  
**Commerce & Management**

*Name of the BOS:*  
**Business Economics**

*Name of the Course:*  
**B. Com III - (Semester: V & VI)**

*Title of the Paper:*  
**Advanced Banking- Paper I and II**

*Syllabus Pattern:*  
**Choice Based Credit System**

*With effect from:*  
**June-2018**

Title of the Course: **B. Com III**  
Title of the Paper: **Advanced Banking**  
**Law and Practice of Banking in India (Optional) Paper I**

**Total Theory Lectures-(60 per Semester)**

**Preamble:**

India is one of the developing countries in the world. After independence, particularly after 1991 Indian economy is developing rapidly. The credit of overall economic development goes to the banking sector. Now a day's banks are providing loans to almost all sectors in India such as; agriculture, road, trade, communication, industry, education, international trade and state of welfare etc. Therefore the study of the banking system and its operations is essential to know the role of banking in Indian economy.

In the modern banking system, modern banking negotiable instruments are widely used by the bankers. So it is also necessary to know the modern banking operations to the students of Commerce and Economics

**Objective of the Course:**

1. To enhance the knowledge of the students about modern banking
2. To create banking knowledge among the students regarding competitive examinations
3. To create entrepreneurial knowledge among the students.
4. To provide practical knowledge of modern banking operations.

**Outcome:**

The study of banking creates employment opportunities to the students of commerce in various fields in India and abroad. The study also enhances the knowledge about the modern banking system such as; Electronic banking and Technology. Further it helps to increase the production and productivity in the various fields of production through which it is possible to get desired goals of development of the nation.

**Advanced Banking**  
**Law and Practice of Banking in India (Optional) Paper I**

**Semester- V**

<b>Unit No</b>	<b>Name of the topic</b>	<b>Details</b>	<b>Lectures</b>
1	Banking Laws	Meaning, Nature and Scope	12
2	Banker and Customer	Origin of banking-The relationship special relationship- statutory obligation to honour cheque- bankers lien -Duty to maintain secrecy of Customers Accounts- Right to claim Incidental charges and Right to charge Compound interest.	12
3	Bank Customers and Bank Accounts	Meaning and Special types -Bank customers - Minor or infant-A married woman -a Drunkard -a partnership firm -a Joint stock company - non trading company Administrators and Trustees-Types of Accounts	12
4	Banking Negotiable Instruments	Definition -characteristics of Negotiable Instruments Types of negotiable Instruments - Cheque, Bills of exchange and promissory notes	12
5	Bank Failures and Deposit Insurance and Credit Guarantee Corporation	Causes for Bank Failure- Deposit Insurance Corporation- Deposit insurance and Credit Guarantee Corporation- Export credit Guarantee Corporation of India.	12

**Advanced Banking**  
**Law and Practice of Banking in India (Optional) Paper I**

**Semester- VI**

<b>Unit No</b>	<b>Name of the topic</b>	<b>Details</b>	<b>Lectures</b>
1	Paying Banker	Meaning-Precautions before honouring a cheque- Circumstances under which a cheque can be dishonoured – Statutory protection to a paying Banker /Bank	12
2	Collecting Banker	Meaning –banker as a Holder for value –Banker as an Agent –Conversion-Statutory protection- Duties of a collecting Banker.	12
3	Bank Loans and Advances	Principles of sound lending–Secured and unsecured Advances-canons of good banking – Security, Liquidity and Profitability	12
4	Modes of Charging Security	Lien –pledge-mortgage –Assignment Hypothecation – Merits and demerits of different type of charges	12
5	Bank Organization	Nature- Branch Management- Banking Regulation Act, 1949(with amendments)	12

## **Reference Books**

1. Sundharam K.P.M - Banking Theory Law and Practice
2. Gordon and Natarajan- Banking Theory Law and Practice
3. Basu S. K. - Current Banking Theory and Practice
4. Shekhar and shekhar- Current Banking Theory and Practice
5. Dr. R. Parmeshwaran and S. Natrajan- Indian Banking
6. Indian Institute of banking and Finance- Accounting and Finance for banking

**Advanced Banking**  
**Banks and Financial Institutions- (Optional) Paper II**

**Semester- V**

<b>Unit No</b>	<b>Name of the topic</b>	<b>Details</b>	<b>Lectures</b>
1	The Banking System in India	Indigenous Bankers – commercial banks – co-operative, Banks-Regional Rural Banks –Foreign Banks –Development Banks Industrial Development Banks.	12
2	Progress of Commercial Banks after Nationalization	Achievements and failure- Narasimhan committee and its recommendations regarding Banking Reforms	12
3	Comparative Study of Profitability and Efficiency	Comparative study of productivity, profitability and efficiency of public sector, private sector and foreign banks in India.	12
4	Reserve Bank of India (RBI)	Role of RBI in the development of an economy of India- Monetary Policy of RBI- A monetary Policy of RBI- State Bank of India –Role of SBI in the agricultural development of India	12
5	State Bank of India (SBI)	Evaluation of State Bank of India- Nationalization of Imperial Bank- Management of the bank- Structure and Organization of the Bank- Functions of SBI- Role of SBI in Economic Development	12

**Advanced Banking**  
**Banks and Financial Institutions- (Optional) Paper II**

**Semester- VI**

<b>Unit No</b>	<b>Name of the topic</b>	<b>Details</b>	<b>Lectures</b>
1	Development Banking	Concept and importance –progress in India- present position and working of IFCI, ICICI, IDBI and SFCS –Role of development banking in Indian Economy	12
2	Banking in England	Present position of commercial Banking in England –main features- Bank of England – Present working and functions	10
3	Banking in USA	Present Position of commercial Banking in USA –Federal Reserve System and its working- Federal Deposit Insurance Corporation	12
4	International Banking	–Concept of offshore Banking Universal Banking –Multinational Banking –the Euro currency market	12
5	Electronic Banking (E- Banking)	Electronic Delivery Channels- Facets of E-banking- E-banking Transactions- Truncated Cheque and Electronic Cheque- Mobile Banking- Inter-bank Mobile Payment Service (IMPS)- Virtual Currency- Models of E-banking- Advantages of E-banking- Real Time Gross Settlement (RTGS)	14

## Reference Books

1. Sundharam K.P.M - Banking Theory Law and Practice
2. Gordon and Natarajan- Banking Theory Law and Practice
3. Basu S. K. - Current Banking Theory and Practice
4. Shekhar and shekhar- Current Banking Theory and Practice
5. Dr. R. Parmeshwaran and S. Natrajan- Indian Banking
6. Indian Institute of banking and Finance- Accounting and Finance for banking

## Equivalent Subject for Old Syllabus

Sr. No.	Name of the Old Paper	Name of the New Paper
1)	Law and Practice of Banking in India (Optional) Paper I	Law and Practice of Banking in India (Optional) Paper I
2)	Banks and Financial Institutions- (Optional) Paper II	Banks and Financial Institutions- (Optional) Paper II