

St. Joseph's College of Commerce (Autonomous)
#163, Brigade Road, Bangalore – 560 025

PREPARATION OF LESSON PLAN

B. Com Regular

Subject Code: C1 15MC303

Subject Name: THEORY AND PRACTICE OF BANKING

Faculty: Prof. Ravi Richard , Dr.D.RajaJebasingh` , Mr. Mohmed Ashfaque

Academic Year: 2017-18

Degree/Branch: B.Com (Regular)

Year/Sem: II Year / III SEM ODD

Total Lecture Hrs: 60

Objective: The Course will provide the Students to acquire knowledge on Indian Banking System. Course will inculcate skills and help acquire knowledge about banking, essential in negotiations and interacting with bankers. It Sensitize and create awareness about the recent and emerging trends and advancements in the field on banking.

Sl. No	UNIT & OBJECTIVES	No. of Lecture Hours	Methodology/ Instructional techniques	Evaluation/ learning confirmation
Module 1	Functions of commercial bank, source of employment of commercial bank funds, earning assets of bank, creation of credit by banks, Theory of liquidity and profitability. Obligations and rights of banker, Garnishee Order, Disclosure of information about customer account as required by law(KYC), Law of limitations.	12		
I	Functions of Commercial banks,	2	Lecture/PPT	
	Sources of commercial bank funds	1	Lecture/Discussion	
	Employment of commercial bank funds	1	Lecture/PPT	
	Earning assets of Bank	1	Lecture/PPT	
	Creation of Credit by banks	1	Lecture/PPT	Q&A, Assignment

	Theory of Liquidity Profitability	1	Lecture/PPT	
	Theory of Profitability	1	Lecture/Quiz	Q&A, Assignment
	Obligations and rights of banker, Garnishee Order,	2	PPT/Discussion	
	Disclosure of information about customer account as required by law(KYC), Law of limitations	2	PPT/Discussion	
Module-II	Types of Bank: Scheduled and Non Scheduled bank, Regional Rural Bank, and Development Bank: IFCI, SFC, SIDC, ICICI, IDBI and NABARD. Types of Banking system, Understanding the basic purpose of functions of Retail bank, investment bank, corporate bank, private bank, co-operative bank. Micro Bank, Central Bank.	8		
	Types of Banks: Scheduled and Non-Scheduled Bank	1	Lecture/Discussion	
	Regional Rural Banks-Objectives and Functions	1	Lecture/ Black Board	Assignment
	Development Banks- Objectives and Functions	1	Lecture/Black Board	
	Types of Development Banks-IFCI,IDBI,ICICI, SFC,SIDC,NABARD	1	Lecture/ Black Board	
	Types of Banking System-Branch, Unit- Investment (Development) Universal (Mixed Banking)	1	Lecture/ Black Board	
	Retail Banking –Basic Purpose and Functions	1	Lecture/Discussion	
	Micro Credit Meaning and Importance - Islamic financing-Meaning and Five Basic Principles.	1	Lecture/Discussion	
	RBI-Qualitative and Quantitative Credit.	1	Lecture/ Black Board	

	CIA-1 (Module 1/Module 2)		Moodule	
III	Negotiable Instruments-Essential characteristics of Negotiable instruments- Promissory Notes, Bills of Exchange, Cheque. Bearer cheque, Cross Cheque, Types of Crossing and Opening of Crossing. Demand Draft, Parties of Negotiable Instruments.	10		
	Characteristics of Negotiable Instrument	2	Lecture/PPT	
	Types of NI-Promissory Notes	1	Lecture/PPT	Q&A, Assignment
	Bills of Exchange, Cheques, Bearer Cheque	3	Chalk and Talk	
	Types of Crossing and Opening of Crossing	2	PPT/Discussion	Assignment
	Demand Draft, Parties to Negotiable Instruments	2	Lecture/ Black Board	
IV	Paying and Commercial Bankers-<i>To Explains about how bankers react with dishonored of cheques and Preliminary measures taken by bankers with respect to the responsibilities of Customers</i>	10		
	Precautions to be taken by Paying Banker	1	Lecture/PPT	Q&A, Assignment
	Protection to bankers in case of Order cheque	1	Lecture/PPT	
	Suitable replies to dishonored cheque	1	Lecture/PPT	
	Conversion by collecting bankers	1	Lecture/Discussion	
	Duties of Collecting Banker	1	Lecture/Discussion	Assignment
	Principle of Bank Lending- To Know the Principles of Lending and Borrowing of funds, NPA's, Pledge, Hypothecation, Mortgage.	12		

V	Principles of Sound Lending	1	Lecture/Discussion	
	Credit worthiness of Borrowers	1	Lecture/Discussion	
	Non Performing Assets	1	Lecture/Discussion	
	Model of Creating charges-Lien	2	Lecture/Discussion	Assignment
	Pledge	1	Lecture/Discussion	
	Hypothecation	1	PPT	Q&A, Assignment
	Mortgage and its Types	2	PPT	
	Basel Norms	3	Discussion	
	CIA-II (Module 3/Module 4)		Project	
VI	Latest trends in Banking-To know e-Banking, Phone Banking, Mobile Banking and its convenience to Banking System.	8		
	Phone Banking-Call Centre	2	Lecture/Discussion	
	Internet Banking	1	Lecture/Discussion	
	Mobile Banking-Payment Gateway-Card Technologies	2	Activity	
	MICR-e Clearing	1	Lecture/Discussion	Assignment
	Total Branch Computerization –Centralized banking	1	Lecture/Discussion	
	ETF-RTGS/NEFT/IMPS- E Money E- Cheque	1	Activity	Assignment

Books for Reference:

- ❖ Sundaram and Varshney: Theory and Practice of Banking.
- ❖ De Kock: Central Banking.
- ❖ Dr. K. N. Prasad and T. Chandrasdass: Banking and Financial Systems
- ❖ Maheshwari and Paul. R. R: Banking Theory and Law and Practice.
- ❖ Rudder Datt and K.P.M. Sundara: Indian Economy