

COO3A5 Banking Operations & Management [4 Credits]

Learning Objective: *The course aims at providing the students a comprehensive knowledge on banking its operations as well as various banking sector reforms and regulatory environment.*

UNIT 1: Commercial Banking in India (15 Hours)

Evolution – Traditional Banking Functions – Emerging Role – Structure – Growth and Development of Banking in India – Role of RBI – Banking Sector Reforms – Narasimham Committee I and II Recommendations – Strengths & weaknesses of Indian Commercial banks – Challenges ahead – Consolidation in Indian Banking Sector – RBI's policy regarding Bank Licensing to Private Corporate Sector – Objectives & tasks of RBI – Structure of RBI – Monetary Policy of RBI - Banking Innovations - E-banking, Universal Banking, - emerging trends in E-banking - Technology in banking services

UNIT 2: Management of Capital Funds & Deposits in Commercial Banks (12 Hours)

Capital Adequacy in Banks - Functions of capital funds in commercial banks – Basle norms on capital adequacy – Capital adequacy norms in Indian commercial banks – Present position of capital adequacy in Indian Commercial banks – deposit mobilization in commercial banks – challenges – formulating marketing strategies to overcome challenges – implementing marketing strategy

UNIT 3: Management of Loans in Commercial Banks (12 Hours)

Characteristics of commercial bank loans – principles of sound bank lending – formulating loan policy – factors affecting loan policy – contents of loan policy – evaluating credit applicant – supervision of loans – new norms of working capital financing by banks

UNIT 4: ALM & NPAs in Commercial Banks (9 Hours)

Meaning – Objectives of ALM – Functions of ALM – Process of ALM – Measurement of Risk – Management of Risk – Utility of ALM – ALM Policies & Practices of Banking System in India – Non-Performing Assets (NPAs) – RBI Guidelines on NPAs

UNIT 5: Non-Banking Finance Companies & Micro-Finance Institutions (12 Hours)

Nature & significance of NBFCs – Types – NBFCs in India – Evolution & Growth – Regulatory Norms – challenges before Indian NBFCs – Nature of Micro Finance Institutions (MFIs) – MFIs in India – Recent initiatives by NABARD – Micro finance initiatives by SIDBI

Suggested Readings:

1. Gerald Hatler, Bank Investments and Funds Management, Macmillan
2. Srivastava, Divya Nigam, Management of Indian Financial Institutions, Himalaya Publishing House.
3. M. Y. Khan, Indian Financial System, Tata Mc Graw Hill.
4. Vasant Joshi, Vinay Joshi, Managing Indian Banks- Challenges Ahead, Response Books.
5. Bharti Pathak, Indian Financial System, Pearson Education.
6. Agarwal O.P., Banking and Insurance, Himalaya Publishing House
7. Satya Pal Sharma N. K. Et al, Banking and Insurance, Himalaya Publishing House
8. Sethi Jyotsna, Bhatia Nishwan, Elements of Banking & Insurance, Prentice Hall of India, 2007
9. Guruswamy S., Indian Financial System, Tata Mc Graw Hill Education Pvt Ltd., 2011
10. Vasant Desai, Bank Management, Himalaya Publishing House

