



**Subject:** Principle and Practice of Banking - BCOBI11302

**Type of course:** Major (Core)

**Prerequisite:** A prerequisite for studying Principle and Practice of Banking, as outlined in this syllabus, would be a foundational understanding of basic Banking principles and concepts. This includes familiarity with banking terminology, such as deposits, lending, banking regulations, and electronic banking.

**Rationale:** Understanding Principle and Practice of Banking, Details, including the all banking principles, empowers individuals with the knowledge to effectively manage their bank accounts, comply with legal obligations, and make informed decisions in a complex economic environment.

#### Teaching and Examination Scheme:

Teaching Scheme			Credits	Examination Marks			Total Marks
CI	T	P		C	SEE	CCE	
			MSE			ALA	
4	0	0	4	100	30	70	200

*Legends: CI-Classroom Instructions; T – Tutorial; P - Practical; C – Credit; SEE – Semester End Evaluation; MSE- Mid Semester Examination; V – Viva; CCE-Continuous and Comprehensive Evaluation; ALA- Active Learning Activities.*

4 Credits \* 25 Marks = 100 Marks (each credit carries 25 Marks)

SEE 100 Marks will be converted into 50 Marks

CCE 100 Marks will be converted into 50 Marks

It is compulsory to pass in each individual component





**Course Content:**

Sr. No	Course content	Hrs.	% Weightage
1	<p><b>Introduction of Banking</b></p> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Origin of Banking</li> <li>• Banker A Customer Relationship</li> <li>• General and Special Types of Customers –</li> <li>• Origin and Growth Of Commercial Banks In India</li> <li>• Financial Services Offered By Banks</li> <li>• Changing Role Of Commercial Banks</li> <li>• Types Of Banks</li> </ul>	10	15
2	<p><b>Deposits</b></p> <ul style="list-style-type: none"> <li>• Banker</li> <li>• Customer Relations</li> <li>• Different Deposit Products</li> <li>• Mandate and Power of Attorney</li> <li>• Banker’s Lien – Right off Set off</li> <li>• Payment and Collection of Cheques</li> <li>• Duties and Responsibilities of Paying and Collecting Banker</li> <li>• Protection available to Paying and - Collecting Banker under NI Act</li> <li>• Endorsements - Forged Instruments - Bouncing of Cheques and their implications</li> </ul>	15	25
3	<p><b>Bank lending</b></p> <ul style="list-style-type: none"> <li>• Principles of Lending</li> <li>• Various Credit Products/Facilities</li> <li>• Working capital and Term Loans</li> <li>• Credit Appraisal Techniques</li> <li>• Approach to lending</li> <li>• Credit Management</li> <li>• Credit Monitoring</li> <li>• NPA Management</li> <li>• Priority Sector Lending</li> <li>• Factoring</li> <li>• Ancillary Services</li> <li>• Remittances</li> <li>• Safe Deposit Lockers</li> </ul>	20	35





4	<p><b>Banking regulations and electronic banking</b></p> <ul style="list-style-type: none"> <li>• Need and importance of banking regulations in India</li> <li>• banking regulation act 1949</li> <li>• kyc and aml guidelines</li> <li>• banking fraud</li> <li>• banking code</li> <li>• basel norms</li> <li>• sarfaesi act (The Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002)</li> <li>• E Banking –Meaning – Benefits</li> <li>• Home Banking - Mobile Banking - Internet Banking - Virtual Banking</li> <li>• E- Payments</li> <li>• Atm Card /Bio Metric Card - Smart Card</li> </ul>	15	25
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**Continuous Assessment:**

Sr. No	Active Learning Activities	Marks
1	<p><b>Financial Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Faculty will provide students with financial statements of banks and have them analyze and make report on key metrics like liquidity, profitability, various ratios and capital adequacy and submit it on the GMIU web portal.</li> </ul>	10
2	<p><b>Bankruptcy Case Studies</b></p> <ul style="list-style-type: none"> <li>• Analyze case studies provided by faculty of corporate bankruptcies and the role banks play in restructuring and recovery and make detailed report on it and upload it on the GMIU web portal.</li> </ul>	10
3	<p><b>Loan Portfolio Management Simulation</b></p> <ul style="list-style-type: none"> <li>• Students have to study and make comparison report of two banks on loan portfolio, making decisions on lending, interest rates, and risk management and upload it on GMIU web portal.</li> </ul>	10
4	<p><b>Regulatory Compliance Exercises</b></p> <ul style="list-style-type: none"> <li>• Students have to prepare detailed report on regulations for loans and ensuring compliance with banking regulations and upload the same on GMIU web portal.</li> </ul>	10
5	<p><b>Banking Technology Projects</b></p> <ul style="list-style-type: none"> <li>• Students have to present on the latest banking technologies used by banks like net banking, mobile banking, AI etc and their impacts on the industry and upload it on GMIU web portal.</li> </ul>	10





6	<b>Third party Apps</b> <ul style="list-style-type: none"> <li>Present a detailed analysis report on expansion of banking facilities by third party applications like Google pay, Paytm, Bharat pay etc. it should be submitted on the GMIU web portal.</li> </ul>	10
7	<b>Attendance</b>	10
Total		70

**Suggested Specification table with Marks (Theory):100**

Distribution of Theory Marks (Revised Bloom’s Taxonomy)						
Level	Remembrance (R)	Understanding (U)	Application (A)	Analyze (N)	Evaluate (E)	Create (C)
Weightage	20%	30%	40%	5%	5%	-

Note: This specification table shall be treated as a general guideline for students and teachers. The actual distribution of marks in the question paper may vary slightly from the above table.

**Course Outcome:**

After learning the course, the students should be able to:	
CO1	Understand the Meaning, Definition, Functions, Nature and Principles of Banking including its basic concepts.
CO2	Understand the various concepts of deposits like Banker , Customer Relations, Different Deposit Products, Mandate and Power of Attorney, Banker’s Lien – Right off Set off ,Payment and Collection of Cheques, Duties and Responsibilities of Paying and Collecting Banker, Protection available to Paying and - Collecting Banker under NI Act, Endorsements, Forged Instruments, Bouncing of Cheques and their implications etc.
CO3	Understand the Meaning, Nature of Bank lending Various Credit Products/Facilities, Working capital and Term Loans, Credit Appraisal Techniques, Approach to lending , Credit Management, Credit Monitoring etc.
CO4	Understand the Banking regulations and electronic banking, Need and importance of banking regulations in India, banking regulation act 1949, KYC and AML guidelines, banking fraud, banking code, BASEL norms etc.

**Instructional Method:**

The course delivery method will depend upon the requirement of content and the needs of students. The teacher, in addition to conventional teaching methods by black board, may also use any tools such as demonstration, role play, Quiz, brainstorming, MOOCs etc.





From the content 10% topics are suggested for flipped mode instruction.

Students will use supplementary resources such as online videos, NPTEL/SWAYAM videos, e-courses, Virtual Laboratory

The internal evaluation will be done on the basis of Active Learning Assignment

Practical/Viva examination will be conducted at the end of semester for evaluation of performance of students in the laboratory.

**Reference Books:**

1. M.L.Tannan, revised by : Banking Law and Practice, Wadhwa & Company, Nagpur C.R. Datta & S.K. Kataria
2. A.B. Srivastava and : Seth's Banking Law, Law Publisher's India (P) Limited K. Elumalai
3. R.K. Gupta : BANKING Law and Practice in 3 Vols.Modern Law Publications.
4. Prof. Clifford Gomez : Banking and Finance - Theory, Law and Practice, PHI Learning Private Limited
5. J.M. Holden : The Law and Practice of Banking, Universal Law Publishing.

