



Model Institute of Engineering  
& Technology (Autonomous)  
**Course Handout**

Kot, Bhalwal, Jammu

## COURSE HANDOUT

INTRODUCTION TO BANKING ECOSYSTEM (BCMMJ-302)

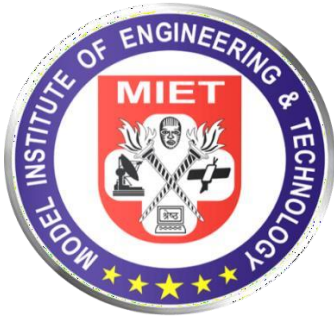
BCOM (H) – 3<sup>RD</sup> SEMESTER

ACADEMIC YEAR (2024-25)

**Mr. Koushik Dhar**

Assistant Professor

UG-School of Management



UG-School of Management

Model Institute of Engineering & Technology (Autonomous)

Kot Bhalwal, Jammu - 181122

[www.mietjmu.in](http://www.mietjmu.in)



Dr. Arun K. Gupta Teaching-Learning Centre

Version 1.1



Please Do Not Print Unless Necessary



Course Code	Course Name	Course Type	Cd	L	T	P	Marks		
							Sessional	Final Exam	Total
BCMMJ-302	Introduction to Banking Ecosystem	Major	4	5	0	0	40	60	100

#### Course Outcomes:

At the end of the course the student will be able to:	
CO1	Understanding the basics of banking and its role for development.
CO2	Articulate the various Regulations and amendments of banking in India
CO3	Comprehend the banking products and facilities
CO4	Appraise the role of regulating agencies in banking.
CO5	Analyze the various banking trends and latest government schemes

#### Unit-I

**Introduction to Banking:** Banks: Origin, Classification and functions of banks, Banks and economic Development, Development Banks-concept and functions.

(09 Hours)

#### Unit-II

**Banking in India:** Banking regulation Act, 1949, Payment and Settlement Act, 2007 and recent amendments in the acts; Procedure to start and close a bank in India; types of banks; problem of Indian Banks- NPA, Causes of Bank failures; Deposit Insurance and Credit Guarantee Corporation- Objective, Resources and Management.

(10 Hours)

#### Unit-III

**Deposits, Loans and Advances:** Types of Deposits and KYC norms, principles of lending, secured and unsecured lending, modes of charging securities, lien, pledge, mortgage, Hypothecation-meaning, and characteristics, Guarantee- concept, features advantages and limitations.

(10 Hours)

#### Unit-IV

**Reserve Bank of India and Monetary Policy:** Concept of central bank, nature and functions of central banking system, Reserve Bank of India, Management and administration of RBI, credit control policy/ Monetary Policy of the RBI.

(09 Hours)

#### Unit-V

**Emerging Banking Trends and Government Schemes:** New Banking Schemes, Innovative banking, home banking, E-payments-NEFT, RTGS, ECS (credit/debit), UPI and other emerging trends; non-banking financial company (NBFC), Post office as a Bank and Shadow Banking.

(09 Hours)

#### Textbooks

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Banking and Finance	Arun Arora and Seema Nashier Rana	McGraw Hill Education	1 <sup>st</sup> (2018)
2.	Principles and Practices of Banking	Indian Institute of Banking & Finance	Macmillan Publication	23 <sup>rd</sup> (2023)



**Reference Books**

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Banking & Financial System	V. Nityananda Sarma	Cambridge University Press	Latest (2015)

**COURSE PLAN**

**Unit-I Introduction to Banking**

S.No	Topics	Recommended Books
1	Introduction to Banking: Banks: Origin	Ref Book 1, P.No. 1-3
2	Classification and functions of banks	Ref Book 1, P.No. 4-14
3	Banks and economic Development	Ref Book 1, P.No. 18
4	Development Banks-concept and functions	Ref Book 1, P.No. 15-17

**Unit-II Banking in India**

6	Banking regulation Act, 1949, Payment and Settlement Act, 2007 and recent amendments in the acts	Ref Book 1, P.No. 63-64
7	Procedure to start and close a bank in India	Ref Book 1, P.No. 64-76
8	Types of banks	<a href="https://byjus.com/free-ias-prep/types-banks-india/">https://byjus.com/free-ias-prep/types-banks-india/</a>
9	Problem of Indian Banks- NPA, Causes of Bank failures	Ref Book 1, P.No. 68-75
10	Deposit Insurance and Credit Guarantee Corporation- Objective, Resources and Management	<a href="https://byjus.com/free-ias-prep/deposit-insurance-and-credit-guarantee-corporation-dicgc/">https://byjus.com/free-ias-prep/deposit-insurance-and-credit-guarantee-corporation-dicgc/</a>

**Unit-III Deposits, Loans and Advances**

11	<b>Deposits, Loans and Advances:</b> Types of Deposits and KYC norms	<a href="https://www.lopol.org/article/bank-deposit-accounts-opening-aspects-procedure-and-kyc">https://www.lopol.org/article/bank-deposit-accounts-opening-aspects-procedure-and-kyc</a>
12	Principles of lending, secured and unsecured lending	<a href="https://egyankosh.ac.in/bitstream/123456789/6208/1/Unit-9.pdf">https://egyankosh.ac.in/bitstream/123456789/6208/1/Unit-9.pdf</a>
13	Modes of charging securities, lien, pledge, mortgage	<a href="https://egyankosh.ac.in/bitstream/123456789/6208/1/Unit-9.pdf">https://egyankosh.ac.in/bitstream/123456789/6208/1/Unit-9.pdf</a>
14	Hypothecation-meaning, and characteristics	<a href="https://egyankosh.ac.in/bitstream/123456789/6208/1/Unit-9.pdf">https://egyankosh.ac.in/bitstream/123456789/6208/1/Unit-9.pdf</a>
15	Guarantee- concept, features advantages and limitations.	<a href="https://studypoints.blogspot.com/2012/09/define-guarantee-and-discuss-its-main.html">https://studypoints.blogspot.com/2012/09/define-guarantee-and-discuss-its-main.html</a>

**Unit-IV Reserve Bank of India and Monetary Policy**

16	<b>Reserve Bank of India and Monetary Policy:</b> Concept of central bank	<a href="https://egyankosh.ac.in/bitstream/123456789/13616/1/Unit-7.pdf">https://egyankosh.ac.in/bitstream/123456789/13616/1/Unit-7.pdf</a>
17	Nature and functions of central banking system	<a href="https://egyankosh.ac.in/bitstream/123456789/13616/1/Unit-7.pdf">https://egyankosh.ac.in/bitstream/123456789/13616/1/Unit-7.pdf</a>
18	Reserve Bank of India,	Ref Book 1, P.No. 44
19	Management and administration of RBI.	Ref Book 1, P.No. 48
20	credit control policy/ Monetary Policy of the RBI	<a href="https://egyankosh.ac.in/bitstream/123456789/13616/1/Unit-7.pdf">https://egyankosh.ac.in/bitstream/123456789/13616/1/Unit-7.pdf</a>

**Unit-V Emerging Banking Trends and Government Schemes**

22	<b>Emerging Banking Trends and Government Schemes:</b> New Banking Schemes, Innovative banking, Home banking,	<a href="https://affairsclooud.com/modi-schemes-banking-insurance-part-">https://affairsclooud.com/modi-schemes-banking-insurance-part-</a>
----	---	---



Kot, Bhalwal, Jammu

		<a href="#">1-pdf/https://egyankosh.ac.in/bitstream/123456789/21519/1/Unit-5.pdf</a>
23	E-payments-NEFT, RTGS, ECS (credit/debit),	<a href="https://iibf.org.in/documents/ec_sneftrtgs.pdf">https://iibf.org.in/documents/ec_sneftrtgs.pdf</a>
24	UPI and other emerging trends;	<a href="https://www.drishtiiias.com/daily-news-analysis/unified-payments-interface-upi">https://www.drishtiiias.com/daily-news-analysis/unified-payments-interface-upi</a>
25	Non-banking financial company (NBFC), Post office as a Bank and Shadow Banking.	Ref Book 1, P.No. 103-107

#### ADDITIONAL WEB RESOURCES

1.	<b>MOOC:</b> Indian Banking Ecosystem <a href="https://onlinecourses.swayam2.ac.in/cec22_mg14">https://onlinecourses.swayam2.ac.in/cec22_mg14</a>
----	--

#### GRADING AND ASSESSMENT

- **Sessional Test:** 20 marks
- **Assignment:** 10 marks
- **Attendance:** 10 marks
- **Final Examination:** 60 marks

#### COURSE POLICIES

- **Attendance:** Minimum 75% attendance is mandatory to appear in the final examination of the course.
- **Academic Integrity:** MIET's academic integrity policies apply. Plagiarism will not be tolerated.
- **Late Submissions:** Assignments and projects must be submitted by the specified timelines.

#### FACULTY INFORMATION

- **Office Hours**  
Monday (12:55 PM - 1:45 PM) to Friday (12:55 PM - 1:45 PM)
- **Contact Information**  
[Koushik.mba@mietjammu.in](mailto:Koushik.mba@mietjammu.in)





Model Institute of Engineering  
& Technology (Autonomous)  
**Course Handout**

Kot, Bhalwal, Jammu



Dr. Arun K. Gupta Teaching-Learning Centre

Version 1.1



श्रेष्ठ

श्रम

नवीनता

Please Do Not Print Unless Necessary