



Model Institute of Engineering
& Technology (Autonomous)
Course Handout

Kot, Bhalwal, Jammu

COURSE HANDOUT

FUNDAMENTALS OF BANKING ECOSYSTEM (BBAMI- 206 (A))

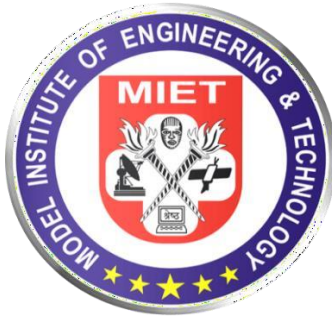
BBA (H) – 2ND SEMESTER

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



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
BBAMI-206 (A)	Fundamentals of Banking Ecosystem	Minor	4	4	0	0	40	60	100

Course Outcomes:

At the end of the course the student will be able to:	
CO1	Describe the history of banking in India and various types of banks in India.
CO2	Articulate the various fund based and fee-based banking services.
CO3	Analyze the role of RBI in governance, its Organization and NPA recovery.
CO4	Evaluate the e-banking structure and other payment systems.
CO5	Appraise the core banking system and related issues.

Unit I: Introduction to Indian Banking System: Brief history of banking in India; Laws affecting banking- Types of Banks and Functions: Commercial Banks, Development Banks, Cooperative Banks; Nationalized and Private Banks, RRBs, NBFCs.

(10 Hrs)

Unit II: Fund Based Banking: Bank Deposits and Lending: Different types of deposits accepted by banks: current- savings recurring-reinvestment, etc., long term bank lending: Term loans, project financing, Short term lending: determination of MPBF, Overdraft and Cash credits, General lending aspects-securities for a loan, External rating and pricing of loans, Fee-Based Banking, Guarantees and letter of credits, remittance and fund transfers, franking services etc.

(10Hrs)

Unit III: Bank Governance: RBI – Role, Organization, Management, Functions of Central Bank of India, Organizational and Functional developments over time, Recent Developments, Demand and Time Liabilities and Reserve Rati, Tier system of Capital- Basel Committee norms, Non- performing Assets & their recovery.

(09 Hrs)

Unit IV: E-Banking in India: Introduction to e-Banking in India; Difference between traditional and e-banking; Internet Banking, Mobile Banking, ATMs, Credit and Debit Cards, POS Terminals, Payment and settlement systems – IMPS, National Automated Clearing House, Cheque truncation system, National Financial Switch, RTGS, NEFT, IFSC • Security challenges and threats in e-banking.

(10 Hrs)

Unit V: Core Banking Systems: Components and Architecture of CBS and related risks and controls, Core modules of banking and business process flow and its related risks and controls, Reporting systems and MIS, Data Analytics and Business Intelligence, Applicable regulatory and compliance requirements.

(09 Hrs)

Textbooks

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Principles & Practices of Banking	Indian Institute of Banking and Finance	Macmillan, New Delhi.	1st (2023)
2.	Modern Commercial Banking,	Machiraju, H. R	New Age International Publishers, New Delhi.	2nd (2019)



Reference Books

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Banking in India	Shetty, M. S.	Atlantic Publishers and Distributors Pvt Ltd, New	Banking in India

COURSE PLAN		
Unit-I Introduction to Indian Banking System		
S.No	Topics	Recommended Books
1	Brief history of banking in India	Ref Book 1, P.No. 1-3
2	Laws affecting banking- Types of Banks and Functions	Ref Book 1, P.No. 4-14
3	Commercial Banks, Development Banks, Cooperative Banks	Ref Book 1, P.No. 18
4	Nationalized and Private Banks, RRBs, NBFCs.	Ref Book 1, P.No. 15-17
Unit-II Fund Based Banking: Bank Deposits and Lending		
6	Different types of deposits accepted by banks: current- savings recurring-reinvestment	Ref Book 1, P.No. 63-64
7	long term bank lending: Term loans, project financing, Short term lending: determination of MPBF	Ref Book 1, P.No. 64-76
8	Overdraft and Cash credits, General lending aspects-securities for a loan, External rating and pricing of loans	https://www.hdfcbank.com/personal/resources/learning-centre/sme/cash-credit-vs-overdraft-which-is-better-for-your-bussiness
9	Fee-Based Banking, Guarantees and letter of credits,	Ref Book 1, P.No. 68-75
10	Remittance and fund transfers, franking services etc.	Ref Book 1, P.No. 80-86
Unit-III Bank Governance		
11	RBI – Role, Organization, Management, Functions of Central Bank of India	https://www.rbi.org.in/commonperson/English/Scripts/Organisation.aspx
12	Organizational and Functional developments over time	https://fidcindia.org.in/wp-content/uploads/2019/09/RBI-NOV-2017-FUNCTIONS-WORKING.pdf
13	Recent Developments, Demand and Time Liabilities,	https://fidcindia.org.in/wp-content/uploads/2019/09/RBI-NOV-2017-FUNCTIONS-WORKING.pdf
14	Reserve Rati, Tier system of Capital- Basel Committee norms	https://fidcindia.org.in/wp-content/uploads/2019/09/RBI-NOV-2017-FUNCTIONS-WORKING.pdf
15	Non- performing Assets & their recovery	https://fidcindia.org.in/wp-content/uploads/2019/09/RBI-NOV-2017-FUNCTIONS-WORKING.pdf
Unit-IV E-Banking in India		
16	Introduction to e-Banking in India; Difference between traditional and e-banking	Ref Book 1, P.No. 32
17	Internet Banking, Mobile Banking, ATMs, Credit and Debit Cards, POS Terminals	Ref Book 1, P.No. 37
18	Payment and settlement systems – IMPS, National Automated Clearing House	Ref Book 1, P.No. 44
19	Cheque truncation system, National Financial Switch, RTGS, NEFT,	Ref Book 1, P.No. 48



Kot, Bhalwal, Jammu

	IFSC	
20	Security challenges and threats in e-banking	Ref Book 1, P.No. 52
Unit-V Core Banking Systems		
22	Components and Architecture of CBS and related risks	Ref Book 1, P.No. 91
23	Core modules of banking and business process flow and its related risks and controls	Ref Book 1, P.No. 97
24	Reporting systems and MIS, Data Analytics	Ref Book 1, P.No. 100
25	Business Intelligence, Applicable regulatory and compliance requirements.	Ref Book 1, P.No. 103-107

ADDITIONAL WEB RESOURCES

1.	MOOC: Indian Banking Ecosystem https://onlinecourses.swayam2.ac.in/cec22_mg14
----	--

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



Model Institute of Engineering
& Technology (Autonomous)
Course Handout

Kot, Bhalwal, Jammu



Dr. Arun K. Gupta Teaching-Learning Centre

Version 1.1



Please Do Not Print Unless Necessary