

## Restructured Syllabus (2024 Pattern as per NEP-2020)

Faculty: COMMERCE & MANAGEMENT (Commerce)

Class: S.Y. B.Com. Sem-IV

Title of the Course: Indian Banking System-II

| Name of the Program                      | Course Code | Type of Course  | Credits | Lectures per Week in Clock Hour |
|--|-------------|-----------------|---------|---------------------------------|
| B.Com. in Banking, Finance and Insurance | IBS257T     | Major Mandatory | 2       | 2                               |

### Course Objectives:

1. To provide students with comprehensive knowledge of the structure, functions, and role of commercial and cooperative banking in India.
2. To develop an understanding of development banks and specialized financial institutions and their contribution to India's economic and financial growth.
3. To acquaint learners with key reforms introduced in the Indian banking sector and the rationale behind these reforms.
4. To enable students to analyse challenges faced by Indian banks, including NPAs, cybersecurity issues, and operational inefficiencies.
5. To familiarize students with modern banking concepts such as Basel norms, digital payments, financial inclusion, fintech, and CBDC.
6. To enhance analytical skills by evaluating mergers, acquisitions, privatization trends, and the evolution of microfinance and startup financing in India.

| Unit | Title and Contents  | No. of Lectures |
|------|---|-----------------|
| 1    | <b>Commercial and Cooperative Banking in India:</b><br><b>1.1 Commercial Banking in India:</b><br>1.1.1 Definition and Functions of Commercial Banks<br>1.1.2 Classification: Public Sector, Private Sector, Foreign Banks<br>1.1.3 Role of Commercial Banks in Economic Development<br>1.1.4 Recent Mergers and Consolidations in Indian Banking<br>1.1.5 Challenges faced by Commercial Banks (NPAs, Cybersecurity, Customer Retention)<br><b>1.2 Cooperative Banking in India:</b><br>1.2.1 Meaning, significance, evolution of Cooperative Banking in India<br>1.2.2 Laws governing cooperative societies (brief overview)<br>1.2.3 Role of Co-operative Banking in Economic Development<br>1.2.4 Structure of Cooperative Banking in India<br><b>1.3 Three Tier structure of cooperative credit institutions:</b><br>1.3.1 Management, Role and Progress of DCC Banks in India<br>1.3.2 Maharashtra State Cooperative Bank Ltd - Administration and Progress<br>1.3.3 Meaning, Types and Progress of Urban Cooperative Banks | 10              |
| 2    | <b>Development Banks and Specialized Financial Institutions:</b><br><b>2.1 Development Banks in India:</b><br>2.1.1 Concept of Development Bank and their needs in Indian Financial System<br>2.1.2 Role and Objectives of Development Banks  | 10              |

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|   | <p>2.1.3 Role of Development Banking in an Indian Economy</p> <p>2.1.4 Major Development Banks and their Functions and Performance Analysis (NABARD, IDBI, IFCI, EXIM Bank, NHB, SIDBI, ICICI, SFCs)</p> <p><b>2.2 Other Financial Institutions:</b></p> <p>2.2.1 Role of Life Insurance Corporation of India</p> <p>2.2.2 Role of General Insurance in the Capital Market</p> <p>2.2.3 Role of Corporation of India in the Capital Market</p> <p>2.2.4 Role of Unit Trust of India in the Capital Market</p> <p>2.2.5 Role of Mutual Funds in the Capital Market</p>  |    |
| 3 | <p><b>Banking Sector Reforms:</b></p> <p>3.1 Rationale and objectives of reforms, Problems of nationalized banks</p> <p>3.2 Recommendations of the Narasimham Committee-I (1991)</p> <p>3.3 Recommendations of the Narasimham Committee-II (1998)</p> <p>3.4 Key Modern Pillars of Indian Banking Reforms:</p> <p>3.4.1 Compliance of Indian Banking System with Basel Norms</p> <p>3.4.2 Mergers and Acquisitions in Indian Banking Sector</p> <p>3.4.3 Privatization in Banking Sector in India</p> <p>3.4.4 Financial Literacy and Financial Inclusion</p> <p>3.4.5 Micro Finance (Self-Help Groups)</p> <p>3.4.6 Loans to the Start Ups</p> <p>3.4.7 Digital Payments</p> <p>3.4.8 FinTech in Indian Banking sector</p> <p>3.4.9 Central Bank Digital Currency (CBDC) in India</p> | 10 |

**Course Outcomes: After Completion of the course, student will be able to:**

1. Students will understand the functioning, significance, and classification of commercial and cooperative banks within the Indian financial system.
2. Learners will be able to explain the role of development banks and specialized financial institutions in promoting industrial, agricultural, and economic development.
3. Students will gain the ability to critically evaluate major banking sector reforms, including the recommendations of the Narasimham Committees.
4. Learners will demonstrate knowledge of contemporary banking practices such as Basel compliance, digital transactions, fintech innovations, and financial inclusion initiatives.
5. Students will develop the skills to analyse problems faced by nationalized banks and assess restructuring strategies like mergers, recapitalization, and privatization.
6. Learners will be equipped to apply theoretical knowledge to real-world scenarios in microfinance, SHGs, startup lending, and digital banking ecosystems.

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| <b>Internship for Students if any: Not applicable</b>  |
| <b>List of Recommended Books and Study Materials</b>   |
| <ol style="list-style-type: none"> <li>1. Benton E. Gup, <i>Banking and Financial Institutions: A Guide for Directors, Investors, and Borrowers</i>, John Wiley &amp; Sons Publication, August 2011</li> <li>2. Biswas, Soutik, <i>Digital Banking in India: Practices and Challenges</i>, Sage Publications India, New Delhi, 2022, ISBN 9789354795088.</li> <li>3. Desai, Vasant, <i>Development Banking and Financial Intermediaries</i>, Himalaya Publishing House, Mumbai, 2021, ISBN 9789355050520.</li> <li>4. Goel, B. B. <i>Co-operative Banking and Financial Sector Reform</i>, Deep and Deep Publications, 2020, ISBN: 9788176299983</li> <li>5. Gordon, E., and K. Natarajan, <i>Banking Theory, Law &amp; Practice</i>, Himalaya Publishing</li> </ol> |

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| House, 2022. ISBN: 9789355515104   |
| 6. Hajela, T. N., <i>Co-operative Movement in Indi</i> . Ane Books, 2019. ISBN: 9789386768675  |
| 7. Khan M. Y., <i>Indian Financial System</i> , McGraw Hill Publications, ISBN: 9353167302, 11th Edition, July 2019  |
| 8. Krishnaswamy, O. R., and V. Kulandaiswamy, <i>Co-operative Banking in India</i> , Himalaya Publishing House, 2020, ISBN: 9789352021523                                  |
| 9. Mohan, Rakesh, <i>Reforming India's Financial System</i> , Oxford University Press, New Delhi, 2020, ISBN 9780190122413   |
| 10. Murugessan, M. Indhumathi, R. Mohan Raj, <i>Banking and Financial Services</i> . Takur Publications Pvt. Ltd, Chennai. ISBN - 978-93-5480-542-4                        |
| 11. Mishkin, Frederic S. <i>The Economics of Money, Banking and Financial Market</i> , 12th ed., Pearson, 2021. ISBN: 9780136890935  |
| 12. Parameswaran R., Natarajan S., <i>Indian Banking</i> , S Chand Publications, ISBN:978-8121920377, January 2013   |
| 13. Pattipeilohy Christiaan, <i>Advanced Introduction to Central Banks and Monetary Policy</i> , Edward Elgar Publishing Ltd., August 2022                                 |
| 14. Saha Siddhartha, <i>Indian Financial System: Financial Markets, Institutions and Services</i> , McGraw Hill Publications, ISBN: 9389949009, August 2020                |
| 15. Sodhi, J. S. <i>Co-operative Banking in India: Principles and Practice</i> . Kanishka Publishers, 2021, ISBN: 9788194921459  |
| 16. Pathak, Bharati V. (2020), <i>The Indian Financial System: Markets, Institutions and Services</i> , Pearson Education, New Delhi, 5th Edition: 2020 ISBN 9789353435824 |
| 17. Varshney, P. N., and S. N. Maheshwari. <i>Banking Law and Practice</i> . Sultan Chand and Sons, 2021. ISBN: 9789387907479  |
| 18. Annual Report - Related banks, Development Banks, Financial Institutions, Committee  |
| <b>Scheme of Examination</b>   |
| <b>Passing Marks: 40% of the Total Marks</b>   |
| <b>Internal Assessment (15 Marks): Refer Point No. 3(a)</b>  |
| <b>External Assessment (35 Marks)</b>  |
| <b>Question Paper Pattern for External Examination</b>   |
| <b>Instructions:</b>   |
| 1) Question No. 1 is Compulsory.   |
| 2) Attempt any three questions from Question No. 2 to 5.   |
| Q. 1: Fill in the blanks = 05 Marks  |
| Q. 2: Theory Question on Unit-1 = 10 Marks   |
| Q. 3: Theory Question on Unit-2 = 10 Marks   |
| Q. 4: Theory Question on Unit-3 = 10 Marks   |
| Q. 5: Short Notes on all Units (Any 2 out of 3) = 10 Marks   |