

NORTH MAHARASHTRA UNIVERSITY, JALGAON  
 NEW SYLLABUS FOR F.Y.B.COM.  
 SUBJECT : BANKING & FINANCE  
 (EFFECTIVE FROM JULY 1997)

CLASS : F.Y.B.COM : SUBJECT : BANKING & FINANCE.

UNIT NO.	UNIT	PERIODS
1.0	INTRODUCTION	
1:A	Definition & meaning of "Bank"	1
1:B	The Origin of Banking Business in the World	2
1:C	Functions of Banks - i) Primary functions ii) Subsidiary functions - a) Agency Services b) General Utility services.	
1:B	Importance of modern Banking	2
2:0	Classification of Banks	1
2:A	Structural classification -i) Unit Banking ii) Branch Banking iii) Group Banking iv) Chain Banking	
2:B	Ownershipwise classification i) Private sector Banks ii) Public sector Banks, iii) Co-operative Banks iv) Joint Banks	5
2:C	Functional Classification of Banks	2
3.0	BANKING THEORY & PRACTICES - I	2
3.A	Type of Deposits: i) Current ii) Saving iii) Time	
3:B	Operation of Account with a Bank i) Process of opening of an account, ii) operating an account iii) closing an account.	1
3:C	Operation of Cheques i) requisits of cheques ii) Dating of cheques iii) types of cheques iv) Endorsement of cheques v) Dishonour of cheques	3
3:D	Remittances of funds i) methods ii) importance	1
3:E	Credit cards i) Procedure ii) Use and Abuse iii) Economic Importance	1
4.0	BANKING : THEORY & PRACTICES. II	
4:A	Modes of credit i) overdraft ii) cash credit iii) Demand loan, iv) Term loan	2
4:B	Modes of creating charge-i) Lien ii) Pledge iii) mortgage, iv) Assignment.	4
4:C	Multiple credit creation i) meaning of credit, ii) process of multiple credit creation & money multiplier, iii) Limitations of credit creation	3
4:D	Principles of sound lending & Investment.	2
4:E	Conflicts between profitability & Liquidity.	2
4:F	Balance sheet of a Bank	2

5.0	CENTRAL BANKING.	
5:A	The origin & functions of Central Bank	3
5:B	Role of Central Bank in a economy	1
5:C	Distinctions Between Central Banks & Commercial Banks	1
5:D	Credit control Instruments- i) objectives ii) Types iii) modus operandi, iv) limitations.	5
6.0	CO-OPERATIVE BANKING.	
6:A	Meaning & objectives & principles of co-operation	1
6:B	Co-operative credit / Banking structure.	1
6:C	Types & Functions of co-opt. Credit societies	2
6:D	Functions of District Central co-opt. Banks	1
6:E	Functions of Urban Co-opt. Banks	1
6:F	Functions of State Level co-opt. Banks	1
7.0	DEVELOPMENT BANKING.	
7:A	Definition & Origin of Development Banking	1
7:B	Deposit Banking verses Development & Investment Banking	2
7:C	Structure of Development Banking	2
7:D	Functions of Development Banks -i) Financial ; functions & ii) Promotional functions	2
7:E	Functions of Merchant Banking	2
8.0	FINANCE	
8:A	Meaning Importance & Need of finance	1
8:B	Sources of Finance-i) Internal ii) External	2
8:C	Financial Instruments i) Shares-types & features ii) detenture-types & features iii) Bill of exchange types & features, iv) Public deposits -types Feature	8
9.0	MONEY MARKET :	
9:A	Meaning & constituent of money market	1
9:B	Composition & Importance of money market	3
9:C	Features of the Developed money market	2
10.0	CAPITAL MARKET	
10:A	Meaning & constituent of capital market	1
10:B	Classification & Importance of Capital Market	3
10:C	Stock Exchanges i) types ii) Organisation ii) Functions iv) Operations.	3

LIST OF BOOKS.

1. Banking Law & Practice in India by M.L. Tannom. & others, Indian Law House, New Delhi.
2. Banking Theory & Practice. by K.C. Shekhar, Vikas Publishing House
3. Modern Banking. by R.S. Sayers, Oxford
4. Modern Banking. by M.C. Vais, RSSA Publishers Jodpur.
5. Indian Economy by P.P. Datta & I.P.M. Sudharam.