

**University of Pune**  
**S.Y.B.A. Economics Revised Syllabus**  
**G-2, Modern Banking**  
**From : June – 2014**

**PREAMBLE**

To create the awareness among the students of Modern Banking System. Banking constitutes important components towards understanding of economics. Clear understanding of the operations of banking their interaction with the rest of the economy is essential to realize how monetary forces operate through a multitude of channels- market, non-market, institutions and among others, the state.

**First Term**

Chapter No.	Title of the Chapter	Lectures
1	<b>Evolution of Modern Banking</b> 1.1 Meaning & Definition of Bank. 1.2 Banking in Europe, USA & Asia. 1.3 Evolution of Banking in India. 1.4 Structure of Indian Banking System	12
2	<b>Functions of Commercial Banks</b> 2.1 Primary Functions-Accepting Deposits, Granting Loans & Advances. 2.2 Secondary Functions-Agency Functions, General Utility Functions 2.3 Methods of Remittances.	12
3	<b>Principles of Commercial Banks</b> 3.1 Liquidity, Profitability and Safety- Meaning & Concept. 3.2 Multiple Credit Creation-Process & Limitations. 3.3 Components of Balance Sheet of Commercial Banks	12

4	<p><b>Operation &amp; Types of Accounts</b></p> <p>4.1 Opening and operating of Deposit Account.</p> <p>4.2 Closure and Transfer of Accounts</p> <p>4.3 Types of Account Holders - Individual &amp; Institutional</p> <p>4.4 No Frills Account, Escrow Account</p>	12
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### Second Term

5	<p><b>Negotiable Instruments</b></p> <p>5.1 Promissory Note, Bill of Exchange and Cheque - meaning, Definition &amp; Characteristics</p> <p>5.2 Types of Cheque – Bearer, Order &amp; Crossed</p> <p>5.3 Types of Crossing- General &amp; Special</p> <p>5.4 Endorsement- Definition, Types &amp; Effects</p>	12
6	<p><b>New Technology in Banking</b></p> <p>6.1 E-Banking – Need and Importance</p> <p>6.2 Meaning, concept and operation of -</p> <p style="padding-left: 20px;">6.2.1 Automated Teller machine- ATM</p> <p style="padding-left: 20px;">6.2.2 Credit Card</p> <p style="padding-left: 20px;">6.2.3 Debit Card</p> <p style="padding-left: 20px;">6.2.4 Tele Banking</p> <p style="padding-left: 20px;">6.2.5 Mobile Banking</p> <p style="padding-left: 20px;">6.2.6 Net Banking</p> <p style="padding-left: 20px;">6.2.7 Society for worldwide Interbank Financial Telecommunication</p> <p style="padding-left: 20px;">6.2.8 Core Banking</p> <p style="padding-left: 20px;">6.2.9 RTGS</p>	12
7	<p><b>Reserve Bank of India</b></p> <p>7.1 Functions</p> <p>7.2 Money Measures- M0, M1, M2, M3, M4</p> <p>7.3 Monetary policy- Meaning &amp; objectives</p>	12

	7.4 Instruments of Credit Control	
<b>8</b>	<b>Co- operative banking in India</b> 8.1 Structure of Co-operative banking in India 8.2 97 <sup>th</sup> Constitutional Amendment in co-operative law 8.3 NABARD- objectives, Functions & working 8.4 Challenges before co-operative Banking	12

### **BASIC READING LIST**

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- De Kock, M.H. (1960), Central Banking, Staples Press, London.
- Due, J.F. (1963), Government Finance, Irwin, Homewood.
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