

## **B.COM BANK MANAGEMENT (BBM)**

### **I – YEAR:**

- BBM 11 - Principles of Accounting
- BBM 12 - Business and Corporate Laws
- BBM 13 - Financial Services

### **II – YEAR:**

- BBM 21 - Banking Theory, Law & Practice
- BBM 22 - Regulatory Mechanism of Banking
- BBM 23 - Credit Management
- BBM 24 - International Banking
- BBM 25 - Business Statistics
- CCE - Environmental Studies

### **III – YEAR:**

- BBM 31 - Income Tax
- BBM 32 - Cost Accounting
- BBM 33 - Marketing of Banking Service
- BBM 34 - Customer Relations Management
- BBM 35 - Treasury Management

**B.COM BANK MANAGEMENT  
I YEAR**

**PRINCIPLES OF ACCOUNTING**

**Block I**

Basic Accounting concepts . Accounting process . Trial balance . Final Accounts of sole traders . Common adjustments in the preparation of final accounts . Adjusting and closing entries . Manufacturing account.

**Block II**

Bills of Exchange . Trade bills and accommodation bills . Accounts of non-trading concerns, Receipts and payments account and Income and Expenditure accounts - Capital and Revenue Expenditure.

**Block III**

Accounts from incomplete records . Net worth method and Conversion method . Self-balancing ledgers . Insurance claims, claims of stock destroyed, asset destroyed, loss of profit (Simple problems only).

**Block IV**

Consignment and Joint venture . Account current . Average due date . Depreciation, various method of providing depreciation.

**Block V**

Departmental accounts . Branch accounts - Kept at the Head Office . Independent branches (excluding foreign branches).

**BOOKS RECOMMENDED**

1. R.L. Gupta and M. Radhaswamy . Advanced Accountancy Sultan Chand & Sons., New Delhi.
2. S.N.Maheswari Introduction to Accounting, Vikas Publishing House, New Delhi.
3. M.C.Shukla, T.S.Grewal and S.C. Gupta . Advanced Accounts, S.Chand and Company Ltd., New Delhi.

**B.COM BANK MANAGEMENT  
I YEAR**

**BUSINESS AND CORPORATE LAWS**

**Block I**

Law of Contract . Nature of contract . Classification . Offer and acceptance . Capacity of parties of contract . Free consent . Consideration . Legality of Object . Agreement Declared void.

**Block II**

Performance of contract . Discharge of Contract . Remedies for breach of contract.

**Block III**

An overview of Special Contracts . Indemnity . Guarantee . Bailment . Pledge . Agency.

**Block IV**

Formation of Company . Memorandum of Association - Articles of Association . Prospectus . Commencement of business . Types of Companies.

**Block V**

Share Capital . Kinds of shares . Transfer and Transmission of shares . Company meetings . Kinds . Quorum . Voting . Resolutions . Minutes.

**References**

1. Business Laws . ND Kapoor.
2. Legal Systems in Business . Sumathi.
3. Company Law . Avtaar Singh.
4. Lectures on Mercantile, Commercial and Business Law . Gulshan & G.K.Kapoor.

**B.COM BANK MANAGEMENT  
I YEAR**

**FINANCIAL SERVICES**

**Block I**

Meaning and importance of financial services . Types of financial services . Financial services and economic environment . Players in Financial Services Sector.

**Block II**

Merchant Banking . Functions . Issue Management . Managing of new issues . Underwriting . Capital market . Stock Exchange . Role of SEBI.

**Block III**

Leasing and Hire purchase . Concepts and features . Types of lease Accounts.

**Block IV**

Factoring . Functions of Factor . Consumer finance . Venture capital . Mutual Funds . Credit Rating.

**Block V**

Insurance . Different types . Life . Marine . Fire . Motor . Health . Pension plan . Annuity . Rural insurance . Insurance laws and Regulation . A brief Introduction to IRDA Act - Insurance Act, 1938.

**References**

1. Financial Services . M.Y.Khan.
2. Financial Servies . Santhana.
3. Law of Insurance . Mishra.

**B.COM BANK MANAGEMENT  
II YEAR****BANKING THEORY, LAW AND PRACTICE****Block I**

Banking systems . Branch banking versus Unit Banking and other banking systems . Deposit Banking versus Commercial banking . Industrial banking versus Development Banking . Commercial bank functions . Creation of credit by Commercial banks . Stature and functions of a Central Bank . Methods of Credit control . Quantitative and qualitative methods.

**Block II**

Structure and characteristics of the banking system in India . Banking sector reforms . Reserve Bank of India . Organisation, functions . Salient features of the Banking Regulation Act 1949.

**Block III**

Definition of banker and customer . Relationship between banker and customer . Obligation to honour cheques . Banker's lien . Opening of Accounts . Special types of customers . Precautions to be taken . Types of Deposits . Bank Pass Book.

**Block IV**

Cheques . Essentials of a valid cheques . Crossing, Marking and Endorsement of cheques . Holder & Holder in due course . Payment of cheques . Statutory protection to paying banker . Refusal of payment cheques . Collection of cheques . Statutory protection to the collecting banker.

**Block V**

Loans and advances by commercial banks . Cash credit, Over Draft and Loans secured and unsecured . Modes of creating charges . Lien, pledge, Hypothecation and Advance against documents of title to goods, stock exchange securities, mutual funds, Life Insurance policies, real estate, fixed deposit receipts, Book debts and supply bills . precautions to be taken . purchase and discounting of bills.

**BOOKS RECOMMENDED:**

1. Sundharam and Varshney, Banking theory Law & Practice, Sultan Chand & Sons., New Delhi.
2. Banking Regulation Act, 1949.
3. Report of the Narasihmam committee on Banking Sector Reforms 1998.
4. Reserve Bank of India, Report on Currency and Finance 2003-2004.

**B.COM BANK MANAGEMENT  
II YEAR**

**REGULATORY MECHANISM OF BANKING**

**Block I**

Banking Regulation Act 1949 . Title and Scope of the Act . RBI Act 1934 . Role of RBI as a Regulatory Mechanism.

**Block II**

Financial Sector Reforms . Chakravarty Committee 1985 . Narasimman Committee Report I and II - Prudential norms - Capital Adequacy norms . Classification of Assets and Provisioning.

**Block III**

Rationalization of Interest Rates . Structures of Interest Rates - Short Term - Long Term . Impact on Savings and Borrowings.

**Block IV**

Monetary Policy . Regulatory Measures . Concept of Money Supply . Regulation of Money Supply Through Bank Rate . Open Market Operation and CRR and their Effectiveness.

**Block V**

Growth . Role . Failures of NBFC . Current RBI's Regulations on NBFC.

**References**

1. Law and Practices Relating to Banking . IIB.
2. Digest of Banking Law and Practice, Volume 1 and 2, May 1983 . Prajan Bhasin, Lalit.
3. Law and Practice of Prudential Accounting Norms . Naganathan and S. Jayaraman, Sridhar.
4. Bank Documentation . A Practical Approach . Desai K.C.

**B.COM BANK MANAGEMENT  
II YEAR****CREDIT MANAGEMENT****Block I**

Bank Credit . Basic Principles and Approach . Three C's Purpose of lending . Security aspects . business experience / Management . Market Purpose Trading . Manufacturing Service . Agriculture . Personal . Security: Primary . Collateral . Stock . Machinery . Land and Building . Guarantee . Different types of Mortgages . Management / Experience : Business Experience . Technical Qualification . Professional Management . Market : Local National . Global Types of Credit . Demand Loan . Cash Credit . Overdraft . Term Loan . Basic Characteristics and difference between the four . Legal and Regulatory Aspect . Legal Documents . Loan Documents . RBI Directives . Various Committees . Tandon . Chore . Nayak.

**Block II**

Lending to Different Customers - know your Customers . Individuals . Partnership . Limited companies . Trust . Association . Legal aspects Documents to be called for.

**Block III**

Loan processing . Sanctioning . Monitoring - Recovering . Commercial Loans . Government Sponsored Loans . Trading : Small . Retail . Wholesale . Chain / Supermarket . Manufacturing : Industrial Advances . Service : Transport . Telecommunication . Hospital . Hotel.

Infrastructure : Power . Port . Agriculture : Crop . Plantation . Business Loan . Small Business . Self Employed . Transport . Trade . Hotel . Others . Approach . Assessment . Supervision . Recovery Medium and Large Scale . Small Scale Industries . Corporate Approach . Assessment . Sanction . Disbursement . Follow up . Recovery Agriculture : Small . Medium and Big Farmers . Short Term and Medium term Loans . Corporate Borrowers.

Government sponsored: Priority sector lending . Lead Bank Scheme . Government sponsored loan to Weaker section . Subsidy.

**Block IV**

Corporate Finance . Project Finance . Appraisal . Assessment . Documentation . Disbursement . Monitoring . Follow up . Review . Creation of Charge . Analysis of Balance sheet . Profit and Loss account . Cash flow and Fund flow approach - Project approach.

## **Block V**

NPA . Causes and Remedial Measures . Management of NPAs - Debt Recovery Tribunals . Asset Reconstruction Fund.

### **References**

1. Indian Financial System and Commercial Banking . IIB.
2. Special and preferred sector Finance . IIB.
3. Management Accounting and Financial Management . IIB.
4. Prudential Accounting Norms and Audit of Banks . Naganatham M. and Jayaraman.S.
5. Annual Reports of RBI.



**B.COM BANK MANAGEMENT  
II YEAR**

**INTERNATIONAL BANKING**

**Block I**

International Banking Vis-a-Vis Domestic Banking . Foreign Trade Financing . International Financial Transactions : Lending and Borrowing across borders.

**Block II**

Foreign Exchange : Market . Rate and Currency . Exchange rate determination under Fixed exchange rate and Floating exchange rate regimes . Determination of exchange rates : Spot and Forward . Basic exchange arithmetic . Forward Cover and Hedging.

**Block III**

International Financial Institutions and Functions : World Bank . IMF . Asian Development Bank . International Financial Corporation . International Development Association.

**Block IV**

Sources of Foreign Exchange . Export Earnings . Invisible Export Earnings . Role of NRI Remittances . Foreign Direct Investment . Foreign Institutional Investment . External Commercial Borrowings . Global Depositors Receipts . Offshore Borrowings.

**Block V**

Foreign Exchange Management . Composition of Foreign Exchange Reserves . Foreign Currencies . Gold and SDR . Current Account Convertibility . Capital Account Convertibility - Precautions.

**References**

1. International Banking . IIB.
2. International Corporate Finance . IIB.
3. Frederic S.Mishkin, Understanding Financial Crisis : A Developing Country+
4. Introduction to Foreign Trade, Exchange Risk Management . IIB.

**B.COM BANK MANAGEMENT  
II YEAR**

**BUSINESS STATISTICS**

**Block I : Introduction**

Meaning . Definition . Functions . Scope and uses . limitations . Collection of data i) Primary and ii) secondary data . Classification and tabulation . Diagrammatic and graphic representation - Definition . Objectives of averaging . Characteristics of a good average . Types of average i) Mean ii) Median iii) Mode iv) geometric mean and v) Harmonic mean . Merits and demerits of averages . Choice of suitable averages.

**Block II : Measures of Dispersion**

Definition . Concept of variation . Absolute and relative measure of dispersion . Methods of measuring dispersion i) Range ii) Quartile deviation iii) Mean deviation iv) Standard deviation and v) Co-efficient of variation . Choice of suitable measure of dispersion.

**Block III : Correlation and Regression**

Meaning and definition of correlation . Types of correlation . Methods of studying correlation i) Graphic method ii) Scatter diagram iii) Karl Pearson's method iv) Rank correlation and v) concurrent deviation method . correlation and regression . Methods of studying regression: i) Graphic method ii) Regression equations and iii) Regression coefficients.

**Block IV Index Numbers**

Meaning . Definition . Characteristics . Types . Methods of constructing Index number i) Simple aggregative method ii) Weighted aggregative method . Price index number . Quantity index numbers . Tests of adequacy of index numbers.

**Block V Time Series**

Meaning . Utility . Components of time series i) Trend ii) Seasonal iii) Cyclical and iv) Irregular . Methods of finding trend i) Graphic ii) Semi-average iii) Moving average and iv) Least square . Methods of finding seasonal variations i) Simple average ii) Ratio to trend iii) Moving average and iv) Link relatives.

**BOOKS RECOMMENDED**

1. Statistics (Theory, Methods and applications) . Dr.D.C.Sancheti and V.K.Kapoor Sultan Chand & Sons., New Delhi.
2. Business Statistics . S.P.Gupta, Sultan Chand & Sons., New Delhi.
3. Fundamentals of Statistics . D.H. Elhance
4. Statistics (Theory and Practice) . R.S.N.Pillai and Bagavathi, S. Chand & Company Ltd., New Delhi.
5. Fundamentals of Statistics . S.C.Gupta, Himalaya Publishing House.

**B.COM BANK MANAGEMENT  
III YEAR**

**INCOME TAX**

**Block I**

Basic Concepts . Residential status and incidence of Tax . Income exempt from Tax . Agricultural income.

**Block II**

Heads of Income . Salaries . Income from House Property.

**Block III**

Profits and Gains of Business or Profession.

**Block IV**

Capital Gains . Income from other sources.

**Block V**

Gross Total Income . Deduction from Gross Total Income . Computation of Taxable income of Individuals.

**References**

1. Gaur and Narang: Income Tax, Law and Practice.
2. Dingar Pagare : Income Tax.
3. Mehrothra : Income Tax Law and practice; Himalayan Publishers, Agra.
4. Vinod Singhania : Direct Tax, Taxman Publication Pvt., New Delhi.

**B.COM BANK MANAGEMENT  
III YEAR****COST ACCOUNTING****Block I**

Meaning, Scope, Objectives, Functions, Importance, advantages and limitations of cost accounting. Financial Accounting versus Cost Accounting . Elements of Cost . Cost centre and Profit centre . Preparation of Cost Sheet . Direct materials . Purchase routine . Stores control . Stock levels and EOQ.

**Block II**

Bin card . Stores ledger . Perpetual inventory system . ABC method . Material handling . Control of wastage, scrap, spoilage and defectives . Methods of pricing the issues . Labour cost . time keeping and Time booking . Overtime, Idle time and labour turnover.

**Block III**

Methods of wage payment . Overheads . Classification allocation, apportionment and absorption of overheads . Methods of absorption . Reasons for variation in profits shown by cost accounts and financial accounts . Reconciliation.

**Block IV**

Methods of Costing . Job costing, process costing, operating costing and contract costing.

**Block V**

Marginal costing . Break even analysis, P/V ratio, Margin of safety . Application of marginal costing in decision making: Fixation of selling price, make or buy decisions, selection of suitable sales mix and deciding desirable volume of output . Standard costing . Fixation of standard costs . Variance analysis (Simple problems only).

**BOOKS RECOMMENDED:**

1. M.C. Shukla, T.S.Grewal and M.P.Gupta, Cost Accounting . Text and Problems, S.Chand & Co., New Delhi.
2. Ravi M. Kishore, Cost Accounting and Financial Management, Taxman Allied Services (P) Ltd., New Delhi.
3. Charles t. Horngren, Srikant M. Datar and George Foster, Prentice Hall of India (P) Ltd., New Delhi.

**B.COM BANK MANAGEMENT  
III YEAR****MARKETING OF BANKING SERVICES****Block I**

Marketing concepts and their Application to Banking Industry . Marketing concepts and elements . Why Marketing? . Special features of Bank Marketing . Product and Service Marketing.

**Block II**

Environmental Scanning . Assessment and Management of Competition . Macro and Micro factors influencing the Market, goods and services . applicability to Banking . Banking regulation and its impact on Bank marketing strategies . Understanding competition . and their focus . Strategic benefits of goods competition . What makes a goods competitor.

**Block III**

Customer need analysis and customer care . Customer focus . Understanding customer need . customer care . consumer motivation and buying behaviour . perception / behaviour . other factors affecting buying behaviour . decision making process . individual and organizational . selective exposure . selective distortion . effect on consumer behaviour.

**Block IV**

Market Segmentation (Banking) . Product Designing . Marketing . Feedback and review . purpose and content of product / Market expansion . Mass Marketing and Marketing segmentation . Definition of Market segmentation . Characteristics of a viable Market segment . Benefits from Market segmentation . Disadvantages . Market segmentation techniques for personal and corporate customers.

**Block V**

Market information Research . Definition of marketing research and market research . Differences . Contributions of Marketing Research to a bank . Types of data . primary and secondary . Management Information System and Marketing Research . Need for situation analysis . steps involved in the development of a situation analysis . objective . strategies and tactics . sources of information for situation analysis.

**References**

1. Marketing of Banking Service . IIB.
2. Marketing of Banking Service . Rajeev.
3. The formula for successful Marketing, Galotia Publication, 1991 . Miorz, Rarph.
4. Dynamics of Banking Marketing, VBS publishes, 1990-Madhukar R.K.
5. Principles of Bank Management, Himalaya Publications, 1993 . Desai, Vsant.

**B.COM BANK MANAGEMENT  
III YEAR****CUSTOMER RELATIONSHIP MANAGEMENT****Block I**

Communication . need / Mode of communication . barriers . channels of communication . oral . written . listening skill . verbal skill . interpersonal communication and intra personal communication. Essentials of business letter.

**Block II**

CRM . Concept and approach . CR in competitive environment . public relation and image building.

**Block III**

Banker . customer relationship . retaining and enlarging customer base . customer services . quality circle.

**Block IV**

Nature and types of customer complaint redressal methods . Talwar and Goiporia committee report . customer service committee . customer day . Copra Forum . ombudsman.

**Block V**

Market Segment . Customer Data Base . Market Research Review and Evaluation of Customer Satisfaction.

**References**

1. Business Communication & Customer Relations . IIB.
2. Luthans, Fred, Communications : An Interpersonal Process, UNIT 13, Organizational Behaviour Mc Graw . Hill Book & Co.
3. Robbins Stephen P. Concepts, Controversies and Applications. Unit 9, Organizational Behaviour, Prentice Hall of India, Pvt.Ltd.

**B.COM BANK MANAGEMENT  
III YEAR**

**TREASURY MANAGEMENT**

**Block I**

Asset Liability Management . Objective . Concept . Risk Management . Interest Risk.

**Block II**

Concept of Treasury Management . Employment of Statutory / Surplus funds . Need for specialized approach in the bank . Role and Function of Treasury Department.

**Block III**

Domestic Money Market . Source of funds . Capital Reserves . SLR-CRR . Surplus cash . Market Players.

**Block IV**

Money Market Instruments and Players . Government Securities . Treasury bill . CP . CD . Call Money Banks and Specified Institutions.

**Block V**

Foreign Currency Market . Combined Treasury Management . RBI and Regulatory Functions.

**References**

1. Treasury Investment and risk Management . IIB.
2. Management of Investments . By Jack Clank Francis McGraw Hill International series.
3. Investments . Analysis and Management . By Jack Clank Francis McGraw Hill International series.
4. Indian Capital Market by V.A. Avadhani, Himalayam Publishing House (1997).
5. Capital Markets by Frank fabozzi and Franco Modigliani, Prentice Hall (1966).