

OR

**B. COM
Semester VI
Banking & Financial Services
Major 1
(Bank Management)
(100 Marks – 75 Lectures)**

Objective:

To introduce students with management of banking operations emphasizing financial statements, asset liability composition, bank marketing, CRM and management of risk and resource.

**Unit 1: Financial Statement Analysis
Lectures)**

(25 marks - 19

Balance Sheets of banks: Meaning, components, items on liabilities and assets sides, their relative significance

Balance Sheet Analysis: Ratio analysis, CAMELS, other common techniques of balance-sheet analysis

Income-Expenditure Statements of banks: items in Income statements and Expenditure statements and their relative significance

**Unit 2: Asset-Liability Management
Lectures)**

(25 marks - 19

Asset-Liability Management: definition & meaning, need and significance, objectives, benefits; ALM framework in banks in India – ALM Committee, ALM Information system, ALM Process

Credit Management: loan policy and principles of bank lending

Management of Investments: components of bank investments – SLR and non-SLR / approved and non-approved securities; Treasury operations – meaning, importance, trends in India

**Unit 3: Risk & Resource Management
lectures)**

(25 marks - 19

Risk – Meaning; Types of risks: liquidity risk, credit risk, market risk (interest rate risk and currency risk), operational risk and systemic risk – meaning, sources, composition & management of these risks in banks

Capital: components of bank's capital;

Deposits: pricing of deposits – importance, methods; deposit insurance

Non-deposit sources: components, relative importance

Unit 4: Bank Marketing and Customer Relationship Management (25 marks - 18 lectures)

Bank marketing: meaning, objectives and importance, 7Ps of marketing of banking and financial services, marketing strategies; marketing of banking services in India – emerging trends

Customer Relationship Management: Concept and importance, customer service in banks; emerging trends; Customer Grievance Redressal mechanism – Consumer Protection Act - major provisions, redressal machinery, types of deficiencies for which banks, are liable under the Act; Banking Ombudsman Scheme – scope of Banking Ombudsman, types of complaints, mechanism of redressal

Books for Study and Reference:

- Gopal V. V. (ed.) (2004): *CRM in Banking: Concepts and Cases*, Hyderabad, ICFAI, 1e**
Indian Institute of Banking and Finance (2005): *Risk Management*, New Delhi, Macmillan
Indian Institute of Banking and Finance (2009): *Principles & Practices of Banking*, New Delhi, Macmillan, 2e
Joshi V. C. & Joshi V. V. (1998): *Managing Indian Banks – The Challenges Ahead*, New Delhi, Response
Justin P. & Padmalatha S. (2007): *Management of Banking & Financial Services*, New Delhi, Pearson
Koch T. W. & MacDonald S. S. (2003): *Bank Management*, Singapore, Thomson, South-Western Publishing, 5e
Nagarajan N. (ed.) (2004): *Bank Economists' Conference, 2002 – Vol. I & II, Indian Banking: Managing Transformation – Structure*, Hyderabad, ICFAI, 1e
Satish D. (ed.) (2004): *Currency Risk Management: Concepts and Cases*, Hyderabad, ICFAI, 1e
Subbulakshmi V. (ed.) (2004): *Operational Risk Measurement & Management*, Hyderabad, ICFAI
Vijaychandra Kumar C. (ed.) (2004): *Credit Risk Management: Concepts and Cases*, Hyderabad, ICFAI, 1e
Vijayaragavan G. (2009): *Bank Credit Management: Text & Cases*, Mumbai, Himalaya

Websites:

www.iba.org.in
www.iibf.org.in
www.rbi.org.in