

**UNIVERSITY OF RAJASTHAN**

**JAIPUR**

**SYLLABUS**

**POST-GRADUATE DIPLOMA**

**IN**

**BANKING & FINANCE**

**Examination 2018**

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**Dy. Registrar**  
(Academic)  
University of Rajasthan  
JAIPUR

# POST GRADUATE DIPLOMA IN BANKING AND FINANCE

EXAM-2018

1. A Candidate must obtain for a pass atleast 25% marks in each individual paper and the monograph and 36% marks in the aggregate. The classification of successful candidates will be as follows:

First Division 60% of the aggregate marks

Second Division 48%

All the rest will be declared to have passed the examination. Every candidate shall be required to offer the following six papers and each paper of three hours duration carrying 100 marks.

## **Scheme of Examination**

There will be five questions in all. The candidates are required to attempt all the question. There will be one question from each unit with an internal choice (either/or).

## **PAPER- I**

### **FINANCIAL INSTITUTIONS AND FINANCIAL MARKETS**

**Unit-I** Banking and Financial Institutions in India: Commercial Banks, Cooperative Banks, Regional Rural Banks, Agriculture and Rural Development Banks (SLDBs), Development Banks and NBFCs; their constitution, Functions, Working and Evolution.

**Unit-II** Reserve Bank of India: Traditional and Developmental Functions and Working. Objectives, Instruments of Monetary Policy

**Unit-III** Financial Markets: Structure, institution and operating mechanism and its role in Economic Development. Developed and Underdeveloped

Markets, Money Market in India: Importance, features, instruments. Measures to strengthen money market in India. Recommendations of the working group on money market, Report of the task force on money market and mutual funds.

**Unit-IV** Capital Markets in India: New issue market and stock exchange, importance of stock exchanges: National stock exchange, methods of floating new issues, types of shares and debentures,

**Unit-V** The Securities and Exchange Board of India (SEBI), need for establishment of SEBI. Objectives and role of SEBI, Capital Market reforms,

## PAPER – II

### BANK MANAGEMENT

**Unit-I** Nature of Banking Business: Socio, Economic and legal environment of banking business in India – official regulation and control over banks in India:

**Unit-II** Banking Regulation Act, 1949, Reserve Bank of India Act, 1934, Banking companies Act, 1970 etc – Diversification of Banking in India.

**Unit-III** Forms of Banking: Branch Banking, Unit Banking, Group Banking Chain Banking, Correspondent Banking. Process of Bank Management; Branch location policies and decisions, Organizational Structure of Commercial Banks in India Department set up of Head Office, Zonal Office, Regional office and Branch offices. Delegation of authority in banks,

**Unit-IV** Bank Balance Sheet: Management of assets and liabilities in banks – Profit Profitability and Productivity in banks – Management of large sized branches and rural branches. Internal Control and Performance budgeting System – Management Information system Income Recognition and Asset Classification norms

3

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Unit-V Human Resource Development in Banks: Manpower Planning, Recruitment, Training, promotion, Motivation, Bank Marketing: Product Planning and Development. Computerization of Banks: Need, application, progress, problems. Current Issues and Problems of Management of Banks in India.

**PAPER - III**  
**BANKING LAW AND PRACTICE**

- Unit-I Banker - Customer Relationship: Definition and Meaning of "Banker" and "Customer" - Permitted activities of Commercial Banks in India - General and Special Features of their relationship, Their rights and duties.
- Unit-II Deposit Accounts: Opening Operations and Closure of [a] Fixed Deposit Account [b] Recurring Account [c] Savings Account d] Current Account e] Deposit Schemes for NRIs. Other Deposit Schemes, Mandate and Power of Attorney - Nomination Facility - Insurance of Bank Deposits
- Unit-III Banking Instruments: Definitions of Negotiable Instrument [NI]- Different Types of NIs and other Instruments - parties to NIs
- Unit-IV Crossing - Endorsements - Payment and Collection of Cheques - Forged instruments - Bouncing of Cheques and their implications - Various laws affecting bankers.
- Unit-V Banking Services: Remittances - Safe Custody - Safe Deposit Vaults - Collection Facility - MICR Clearing, ATMs - Credit Cards and Debit Cards - Travellers' Cheques - Gift Cheques - Ombudsman and Customer Services - Fraud Detection and Control

N.B. This paper has to be studied in the light of case laws and practical problems.

12  
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## PAPER - IV

### FOREIGN EXCHANGE AND FOREIGN TRADE

- Unit-I Concept of Foreign Exchange, Principles of foreign exchange, Meaning of foreign trade, Commercial terms and Documents used in the delivery of goods and payments,
- Unit-II Instruments of International Remittances: Drafts, Mail and Telegraphic Payment Orders, Collection of Bills of exchange both clean and documentary covering exports and imports, letters of credit, T.C. etc.
- Unit-III Functions of FE Dealer of a Bank, FE transactions of Banks: Buying and Selling, Spot and Forward. FE Quotations: Types: Direct and Indirect, Correspondent Bank Relationships and Accounting Mechanism, between Bank Offices: Nostro, Vostro & Loro Accounts.  
FE Regulations and Managements, Role of ECGC. Role of EXIM Bank, RBI: Mechanism for regulating foreign exchange markets. FE Markets: Recommendations of expert committees on FE markets (Sodhani Committee).
- Unit-IV Convertibility: Capital and Current Accounts (Tarapore Committee Report). Balance of Trade & Payment, Financing of imports & exports by banks. Facilities to exporters,
- Unit-V Role of International Organizations like IMF, IBRD, IDA, ADB in promoting international trade & liquidity, Euro Currency Loan, Recent Issues and Problems: Asia Currency Crisis, Euro Dollar issues etc.

## PAPER - V

### BANKING TECHNOLOGY

- Unit-I Electronic Banking- Core Banking -Electronic Products Banking Technology - Distribution channels - Teller Machines at the Bank Counters - Cash dispensers - ATMs - Anywhere Anytime Banking - Home banking (Corporate and personal)
- Unit-II Electronic Payment Systems. On line Banking - Online enquiry and update facilities - Personal identification numbers and their use in conjunction with magnetic cards of both credit and debit cards, smart cards, signature, storage and display by electronic means, cheque truncation, microfiche, note and coin counting devices.


- Unit-III Electronic funds transfer systems - plain messages (Telex or data communication) - structured messages (SWIFT, etc.) - RTGS Information Technology - Current trends - Banknet, RBI net, Datanet, Nicnet, I-net, Internet, E mail, etc.
- Unit-IV Role and uses of technology up gradation- Global developments in Banking.
- Unit-V Technology - Information Technology in finance and service delivery Impact of Technology on Banks-Protecting the confidentiality and secrecy of data-effect on customers and service quality - Computer Audit -Information System Audit.

## PAPER – VI

### PROJECT WORK AND VIVA VOCE


Project work of about 5,000 words indicating the candidate own experience with regard to project approved for the purpose by the Head of the Department. The candidate project work, along with the certificates from the supervisor/teacher will be required to be submitted before commencement of theory examination.

Project Work	-	50 Marks
Viva-Voce	-	50 Marks

  
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### Suggested Reading

- Report of the Committee on Financial Sector Reforms (Narsimham Committee I & II)
  - Report of the Committee on working of Monetary System in India (Chakravarty committee)
  - Commercial Banking by Indian Institution of Bankers volume I, II and III
  - Report of committee on Customer Service by Indian Banks Association (Goiporia Committee)
  - Practice of Law of Banking by H. R. Suneja
  - Banking Law and Practice by P. N. Varshney
  - Practice of Banking Advances by Bedi and Hardikar
  - Law and Practice of Banking by P. N. Varshney and Gopal Swaroop
  - Banking- Theory, Law and Practice by Gordon & Natarajan
  - Banks and Institutional Management by Vasant Desai
  - Foreign Trade and Foreign Exchange by B. K. Chaudhari & O. P. Agarwal
  - Bank Financial Management Indian Institute of banking & Finance
  - Hand Book on Lending to Agriculture by D. P. Sarada
  - Indian Financial System by H.R.Machiraju
  - Risk Management by Dr. G. Kotreshwar
  - Regulatory Requirements under FEMA- Foreign Exchange Dealer's Association
  - Bonds and Money Markets
  - Environment and Management of Financial Services by O. P. Agarwal
  - Practice and Law of Banking by B. S. Khubchandani Law and Practice of Banking by S. K. Davar
  - Banking Law and Practices in India by Tannan
  - RBI, IBA and NABARD Journals.
  - Commercial Banking, Vol. II, Indian Institute of Bankers, Mumbai.
- Working

  
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