

ANNEXURE : 54-E
SCAA DT: 29.02.2008

P.G DIPLOMA IN BANKING MANAGEMENT
REGULATIONS AND SYLLABUS
(EFFECTIVE FROM ACADEMIC YEAR 2007 ONWARDS)

1. ELIGIBILITY FOR ADMISSION TO THE COURSE

Candidate for admission to the first year of the PG Diploma course shall be required to have completed the UG Degree (any discipline) of this University or any other University recognized by Bharathiar University.

2. DURATION OF THE COURSE

The course shall extend over a period of one year comprising of two semesters. There shall not be less than prescribed instructional days for each semester. Examinations shall be conducted at the end of every semester for the respective subjects.

3. COURSE OF STUDY

The course of study for the PG Diploma in Banking Management shall consist of the following:

I Semester

- 4 papers
- Examination shall be conducted at the end of the semester

II Semester:

- 4 papers
- Examination shall be conducted at the end of the semester

4. REQUIREMENT TO APPEAR FOR THE EXAMINATIONS:

A candidate will be permitted to appear for the University Examination for any semester if he / she secure not less than 75% of attendance in the number of instructional days during the semester.

A candidate may be permitted to appear for the University examinations even if he/she does not possess the minimum required attendance and allowed to continue to go for the subsequent semester and he/she should compensate the attendance requirement for both the present and earlier semester. If he/she could not earn the attendance even after continuing the subsequent semester then he/she should rejoin the course and redo the semester he/she last studied.

5. SCHEME OF EXAMINATIONS:

FIRST SEMESTER

Paper	Name of the Paper	Max. Marks		
		Int	Ext	Total
Paper 1	Principles of Management	25	75	100
Paper 2	Organizational Behaviour	25	75	100
Paper 3	Managerial Economics	25	75	100
Paper 4	Business Law	25	75	100

SECOND SEMESTER

Paper	Name of the Paper	Max. Marks		
		Int	Ext	Total
Paper 5	Merchant Banking and Financial Services	25	75	100
Paper 6	Project Management	25	75	100
Paper 7	Management of Financial Institutions	25	75	100
Paper 8	Rural Credit and Finance	25	75	100

6. MEDIUM OF INSTRUCTION AND EXAMINATIONS

The medium of instruction and examination for the all the papers shall be in English.

7. PASSING REQUIREMENTS

(i) A candidate shall be declared to have passed the examination in a subject if he/she secured not less than 50% in the University examinations and 50% aggregate (Internal + external).

(ii) A candidate who successfully completes the course and passes the examinations prescribed in all the subjects of study shall be declared to have been qualified for the PG Diploma courses.

(iii) If a candidate does not complete the course successfully within a period of 2 years (4 semesters) from the date of his/her joining he/she will not be eligible to receive the PG Diploma.

8. CLASSIFICATION OF SUCCESSFUL CANDIDATES

(i) All the candidates securing not less than 75% of the aggregate marks shall be declared to have passed in **FIRST CLASS WITH DISTINCTION** provided they have passed the examination in every subject with in one year of joining the course

(ii) All the candidates securing not less than 60% of the aggregate marks shall be declared to have passed in **FIRST CLASS** provided they have passed the examination in every subject with in one year of joining the course.

(iii) Other successful candidates shall be declared to have passed the examinations in **SECOND CLASS**.

9. CONFERMENT OF THE DIPLOMA

No candidate shall be eligible for conferment of the Diploma unless he / she has undergone the prescribed course of study for a period of not less than two semesters in an institution approved by / affiliated to the University or has been exempted there from in the manner prescribed and has passed the examinations as have been prescribed therefore.

10. SYLLABUS

The syllabus for various subjects shall be clearly demarcated into five viable units in each paper / subject.

11. QUESTION PAPERS

Subject Title : **Principles of Management**
Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description:

This course presents the principles of management, emphasizing managerial functions.

Goals:

To enable the students to learn the basic functions, principles and concepts of management.

Objectives: On successful completion of the course the students should have:

1. understood the principles and functions of management.
2. learnt the scientific decision making process and problem solving techniques.
3. learnt modern management process.

Contents:

UNIT - I

Management: Meaning – definition - objectives and scope - types of management - Nature and Scope of Management process – Management: Science or Art? - Development on Management - Scientific Management- functions of management.

UNIT - II

Planning: The meaning and purpose of planning - steps in planning - Types of planning. Objectives and Policies: Objectives, policies, procedures and methods - Nature and type of policies.

Decision making: Process of Decision making - type of Decisions - Problems involved in decision making - Quantitative techniques.

UNIT - III

Organizing: meaning - objectives and scope - Types of organization - Organisational structure - span of control - use of staff units and committees – organization chart

UNIT - IV

Delegation: Delegation and centralization - types of centralization and decentralization – types of delegation of authority - Line and Staff relationship - Staffing: recruitment - Selection process – training- job analysis- job description – job evaluation – job satisfaction.

UNIT - V

Directing: Nature and purpose of Directing – types of directing - Controlling: Need for co-ordination - meaning and importance of controls - control process – types of controlling - Budgetary and non-Budgetary controls - case studies.

References

1. Robbins & Decanzo, Fundamentals of Management, Pearson Education, Asia 3rd Edition, 2001.
2. Weihrich & Koontz, Management: A Global Perspective, 1993, McGraw Hill, New Delhi
3. Dale, Ernest - Management theory & practice
4. L.M.Prasad – Principles & Practices of Management, Sultan Chand & Sons, New Delhi
5. VSP Rao, V Hari Krishna – Management: Text and Cases, Excel Books, I Edition, 2004

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : **Organisational Behaviour**
Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description:

This course presents the principles of organizational behaviour, individual personality, group behavior, leadership and motivation.

Goals:

To enable the students to learn the importance of behavioural aspects and the motivation of and individuals for the performance.

Objectives:

On successful completion of the course the students should have:

1. understood the basic of behavioural aspects.
2. learnt the nature of man, different personalities and their motivation and attitude.
3. learnt the importance of change and change management.

Contents:

UNIT - I

Understanding the Organisational Behavior: Organisational Behavior - Meaning - Importance - Historical Development of Organisational Behaviour - Organisation as a Social System - Socio-Technical System - Open System - Factors Influencing Organisational Behavior- Environmental Factors - Constraints over Organisation & Managerial Performance.

UNIT - II

Understanding the Individual: Nature of Man - Similarities and Differences among Individuals – Models of Man - Personality - Stages of Personality Development Determinants of Personality
Learning - Perception - Factors Influencing Perception - Perceptual Distortion - Values - Attitudes - Attitude Formation – Role of Behavior Status - Sources and Problems of Status.

UNIT - III

Understanding the Groups: Meaning of Group and Group Dynamics - Reasons for the formation of Groups - Characteristics of Groups - Theories of Group Dynamics – types of Groups in Organisations - Group Cohesiveness - Factors Influencing Group Cohesiveness - Group Decision Making Process - Small Group Behaviour.

UNIT - IV

Leadership & Motivation: Leadership Concept- definition – Characteristics - Leadership Theories - Leadership Styles - Managerial Grid - Leadership Continuum - Leadership Effectiveness. Motivation – meaning and definition - Concept & Importance - Motivators - Financial & Non-Financial - Theories of Motivation- types of motivation.

UNIT - V

Management of Change: Meaning - Importance - Resistance to Change - Causes - Dealing with Resistance to Change - Concepts of Social Change & Organisational Change – Organizational climate - Factors Contributing the Organisational Change - Introducing Change in Large Organisations - Change Agents - Organisational Development - Meaning & Process.

References

1. Robbins, P. Stephen, "Organisational Behaviour - Concepts, Controversies and Applications", Prentice Hall of India Ltd., New Delhi.
2. Luthans Fred, "Organisational Behaviour", McGraw Hill Publishers Co. Ltd., New Delhi, 1988.
3. McShane.S.L and Glinow.M.A.V., Organisational Behaviour, Tata McGraw Hill Publishing Company, New Delhi, 2000.
4. Umasekaran, 1996, Organisational Behaviour, New Delhi: Tata McGraw H
5. Moorhead.G and Griffin, 1996, Organisational Behaviour Bombay: Jaico Publishing House

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : **Managerial Economics**
Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description:

This course presents the principles of economics, demand analysis, market structure and macro environment and its application in the decision making.

Goals:

To enable the students to learn the basic principles of economics and its application in the decision making in the business.

Objectives:

On successful completion of the course the students should have:

1. understood the principles of economics.
2. learnt the demand analysis and various cost aspects in the business.
3. learnt the market structure and the decision making process for various markets.
4. learnt the profit, profit policies, cost volumes relationship.
5. learnt the macro environment of the business.

Contents:

UNIT I : Managerial Economics - meaning, nature and scope - Managerial Economics and business decision making - Role of Managerial Economist - Fundamental concepts of Managerial Economics.

Demand Analysis - meaning- determinants-types of demand - Elasticity of demand.

UNIT II: Supply: meaning and determinants - product decisions –Life cycle of product - production functions –types of production - Insolence - Expansion path - Cobb-Douglas function.

Cost concepts – meaning of cost –objectives - output relationship - Economies and diseconomies of scale - cost functions- types of cost.

UNIT III : Market structure – meaning and scope – objectives - characteristics - Pricing and output decisions - methods of pricing - differential pricing - Government intervention and pricing.

UNIT IV : Profit - Meaning and nature - Profit policies - Profit planning and forecasting – types of forecasting- methods - Cost volume profit analysis - Investment analysis.

UNIT V : National Income - Business cycle - inflation and deflation – nature of inflation- meaning and scope - balance of payments – types of balance of payments - Monetary and Fiscal Policies

References

1. G.S.Gupta - Managerial Economics, Tata McGraw Hill
2. Varshney and Maheswari - Managerial Economics, Sultanchand & Sons.
3. P.L.Mehtha - Managerial Economics, Sultan chand & Sons
4. Joel Dean - Managerial Economics, Prentice Hall
5. L. Rangarajan - Principles of Macro Economics, Tata McGraw Hill.

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : **Business Law**
Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description:

This course presents the rules of business laws, emphasizing managerial functions and its practical applications in the environment.

Goals:

To enable the students to learn the basic functions, principles, concepts of business aspects in the organization.

Objectives:

On successful completion of the course the students should have:

1. understood the business policies and rules
2. learnt the contract techniques.
3. learnt the sale and agreement.
4. learnt the insurance policies and schemes.

Contents:

UNIT - I LAW OF CONTRACT

Contracts - Essentials of Contract - Agreements - avoidable and illegal contracts - Express and implied Contracts - Executed and Executory Contracts - Absolute and contingent contracts - Offer - Legal rules as to offer as to offer and lapse of offer - Acceptance - and rules as to acceptance - Contracts through post office - intention to create legal relation - Capacity of parties to create contract - Consideration - Legal rules as to Consideration - Stranger to a Contract and exceptions - Contract without consideration - Consent - Coercion - undue influence - misrepresentation - fraud - mistake of law and mistake of fact - Legality of Object - Unlawful and illegal agreements - Effects of illegality - Wagering Agreements - Agreement opposed to public policy - Agreements in Restraint of trade - Exceptions - void agreements - Restitution - Quasi-contracts - Discharge of contract - Breach of contract - Remedies for breach of Contract.

UNIT - II LAW OF SALE OF GOODS

Formation of contract of sale - Sale and agreement to sell - Hire purchase agreement - Sale and bailment - Capacity to buy and sell - Subject matter of contract of sale - Effect of destruction of goods - Documents of title to goods - conditions and warranties - Rules of Caveat - Emptor - Exceptions - Transfer of property - Goods sent on approval - FOB, CIF, FOR and Ex-ship contracts of sale - Sale by non-owners - right of lien - termination of lien - right of resale - right of stoppage in transit - Unpaid Vendor's rights.

UNIT - III LAW OF INSURANCE

Contract of Insurance - Insurable interest - Concealment of material fact - Conditions and warranties - Nominations and assignments - Indemnity and subrogation - Life Insurance - Principles of utmost good faith - Marine policy - implied warranties - Sea worthiness - Deviation and change of voyage - legality - sue and labour clause - clauses governing loss - Perils of the Sea - Fidelity - guarantee - insurance of cash in transit - Insurance of Automobiles - Insurance against fire and other risks - Accident Insurance - Health Insurance.

UNIT - IV LAW OF AGENCY

Creation of agency - Classification of agents - relations of principal and agent - delegation of authority - relation of principal with third parties - personal liability of agent - Termination of agency.

UNIT - V

Bailment and Pledge – meaning and scope - types of bailment and pledge - law relating to carries: Carriage of goods - Common carriers - Carriage of goods by rail, sea and air.

References

1. Shukla M.C. - A Manual of Mercantile Law
2. Venkatesan - Hand Book of Mercantile Law
3. Pandia R. H. - Mercantile Law
4. N.D. Kapoor - Elements of Mercantile Law
5. Francis Cherunilam, 'Business Environment', Delhi, Himalaya Publishers House

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : **Merchant Banking and Financial Services**
Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description:

This course presents the management of financial services, which emphasize on equity markets, international diversification etc.

Goals:

To understand investment operational activities in global markets

Objectives:

On successful completion of the course the students should have:
Understood the concepts of mutual funds and venture capital.
Learnt the leasing and mobilizing the fixed deposits.

Contents:

UNIT - I INTRODUCTION

Services management - an Overview - Contemporary Developments in the Field- Mutual Funds: Meaning- History- Types of mutual funds - Mutual Funds Industry in India - and SEBI Regulations

UNIT - II LEASING

- a) Concept - types of leasing, - calculations of leasing- Accounting and Funding.
- b) Lease Agreements - potentiality of Leasing as a means of Financing.
- c) Lease Financing in India.

UNIT - III MERCHANT BANKING

- a) Managing of issues - Shares and Bonds,
- b) Mobilising of Fixed Deposits - inter-corporate Loans.
- c) International Finance
- d) Sectoral Financing

UNIT - IV OTHER FINANCIAL SERVICES

- a) Mutual Funds
- b) Hire Purchase
- c) Consumer Finance
- d) Factoring
- e) Venture Capital
- f) Commercial Paper
- g) Credit Cards
- h) Credit Rating
- i) Insurance

UNIT - V MERGERS AND ACQUISITIONS

Fundamentals of Business Combinations - Motives for Business Combinations - Forms of Business combinations.
Rationale for mergers - Types of mergers - Merger Analysis - Terms of Exchange - Cash Purchases - Stock Exchange Acquisitions - Leveraged Buy-outs (LBO) - Accounting consideration in Mergers and Acquisitions - Turnaround Strategies.

References

1. Khan M.Y. FINANCIAL SERVICES, (Tata McGraw Hill)
2. Machiraju H.R.INDIAN FINANCIAL SYSTEM (Vikes).
3. Study Materials on Financial Services Published by ICAI, Hyderabad.
4. Grinblatt, Marb Titman, Shridn, 'Financial Markets & Corporate Strategy' 2nd edition, Tata McGrawHill, New Delhi, 2003
5. Sahadevan & Thiripdaraju, ' Mutual Funds, Data, Interpretation & Analysis, Prentice-Hall of India private Limited, New Delhi

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Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : **Project Management**
Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description:

These courses present the concept of project management and develop the organizations, Market segmentation.

Goals:

To enable the students to learn the basic functions, principles, concepts of project management and aspects in the organization.

Objectives:

On successful completion of the course the students should have:

1. understood the establish the new management.
2. learnt the scientific decision making process and problem solving techniques.
3. learnt forecasting techniques.
4. learnt Programme Evaluation and Review Technique.

Contents:

UNIT - I

Project management - Project organisation-establishing a new project - defining project specification-Forecasting Techniques - market and demand analysis-sources of information survey-demand forecasting.

UNIT - II

Critical path method-principles-construction of network-for project activity-critical path crash programme-resource allocations-resource smoothing-man power planning.

UNIT - III

Programme Evaluation and Review Technique-Timescale analysis - critical path-probability of completion of project.

UNIT - IV

Project cost Analysis: Project estimation - Task-classification - Estimation forms-cost estimation-material, Labour-production cost-overhead Cost working capital calculation for projects-project report: report working-project cost report-finding BEP of projects-investment proposal, complete project inline with Bankers approach for appraisal.

UNIT - V

Finance: Source of finance for project-Bankers view of financing project evaluation. Criteria for Evaluation payback, rate of return NPV method - comparison of projects.

References

1. Ecmar - Project Management
2. Prasanna chandra - Project Management
3. West & bery - Management Guide for PERT & CPM
4. Srinath L.S. - PERT & CPM
5. Gopalakrishnaan & Ramamoorthy - Project Management , Mcmillan

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : **Management of Financial Institutions**
Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description:

This course presents the banking system, banking functions and its practical applications in the organisation.

Goals:

To enable the students to learn the commercial banking system and insurance aspects in the organization.

Objectives:

On successful completion of the course the students should have:

1. understood the financial functions of management.
2. learnt the central banking system.
3. learnt modern management process.
4. learnt the insurance banking system.

Contents:

UNIT - I CENTRAL BANKING SYSTEM

The role of RBI in controlling the monetary and credit system in India.
The need for autonomy for the central banking system in India.

UNIT - II COMMERCIAL BANKING SYSTEM IN INDIA : AN INTERVIEW

Role of private, Multinational and Scheduled Banks in the Commercial Banking Structure.
The need for reforms in the working of commercial Banking system in India.
Narashimam committee Recommendations pros and cons implications.

UNIT - III INDUSTIRAL BANKING STRUCTURE

- i) NATIONAL PERSPECTIVE; IFCI-ICICI-IDBI-IRCI-ETC.
- ii) INTERNATIONAL PERSPECTIVE:IBRD-IFC-IDA-etc.

UNIT - IV INSURANCE BANKING

LIC - Privatisation of Insurance Industry - Malhotra committee Recommendations - pros and cons - Implications. GIC - Present Scenario and Future Trends.

UNIT - V

Specialized banking structure in India - NABARD - NHB-NBFCS ETC.

References

1. Machiraju,H.R indian financial system (Vikas)
2. Varshney : banking and financial system (S.Chand)
3. Argasri & Ramana, Banking & Financial System, 1st edition, Tata McGraw Hill, New Delhi, 2003.
4. Bharati V. Pathak, 'Indian Financial System', 2003 Edition, Pearson Education, Singapore.
5. Subramanyam Prathap, Investment Banking, 1st edition, Tata McGraw Hill, New Delhi, 2004

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : **Rural Credit and Finance**
Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description:

This course presents the concepts of rural credit and finance like banking, financial and non financial institution.

Goals:

To enable the students to learn the agricultural credits and loan, short term and long term credit systems..

Objectives:

On successful completion of the course the students should have:

1. understood the rural debtness .
2. learnt the central, state and local bodies of credit.
3. learnt modernization and level of credit.

Contents:

Unit - I

Rural Indebt ness: Factors, Analysis and Implications. System and Rural and Agricultural Credits in India: Short term, Medium term and Long term Credit Systems.

Unit - II

Rural Credit: Needs, Objectives, Sources (Institutional, Non-institutional), and Types. Role of Central, State and Local Bodies.

Unit - III

Role of Cooperatives and Commercial Banks. Integrated Agricultural Credit Services. Multi agency approach to Rural Credit and Agricultural Finance.

Unit - IV

Structure and Responsibilities of Credit agencies Loans Overdues and Recovery, Farm Credit and Modernisation. District and Block level Credit Planning: Refinance: Purpose, Guidelines, Terms and Conditions: Credit Facilities and Support Services.

Unit - V

Design and Evaluation of Community Development Projects; Participation and Involvement. Role of State in Cooperatives Development, Role of Financial Institutions: Role of NGOs in Participatory Development.

References

1. Ajit Singh, "Rural Development and Banking in India Theory and Practice", 1985. Deep & Deep, New Delhi.
2. Dendekar, V.M. "Financing Small and Marginal Farmers through Co-operative Credit Structure". 1976. Allied, Bombay.
3. Desai, Vasant, "Rural Development: Organisation and Management", Vol.3, 1988, Himalaya, Bombay.
4. Tokbi, M.R. and Sharma, D.P. ed. "Rural Banking in India", 1975, Oxford, Delhi.
5. Rural Credit and Self-Help Groups: Micro-finance Needs and Concepts in India - K G Karmakar

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

QUESTION PAPER PATTERN

Time : 3 Hours

Max Marks : 75

SECTION – A (10 X 1= 10 Marks)

Answer all questions. (Objective type of questions with no choice.
(10 questions – 2 each from every unit)

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

SECTION – B (5 x 5 = 25 Marks)

Answer all questions. (Short answer questions of either / or type)
(5 questions – 1 each from every unit)

1. a or b
2. a or b
3. a or b
4. a or b
5. a or b

SECTION – C (5 x 8 = 40 Marks)

Answer all questions (Essay-type questions of either / or type)
(5 question – 1 each from every unit)

1. a or b
2. a or b
3. a or b
4. a or b
5. a or b
