

## SEMESTER VI (Banking and Operation)

### 0201359: BANK MANAGEMENT

Full Marks: 100

#### **Introduction to Banking System**

Marks: 10

Introduction: Definition of Banks, Meaning; Scheduled and Non-Scheduled Banks; Origin and Development; Evolution and Growth of Banking System in India; Structure of Indian Banking Industry; Present Structure of Indian Banking Industry; Recommendations of Narasimham Committee; Challenges before Indian Commercial Banks; Opportunities for Indian Commercial Banks; Banking Sector Reforms

#### **Liquidity and Profitability Management**

Marks: 16

Introduction; Liquidity; Governance of Liquidity Risk Management; Liquidity Risk Management Policy, Strategies and Practices; Measurements; Monitoring of Liquidity Standards: Inter-bank Liability (IBL) Limit, Call Money Borrowing Limit, Call Money Lending Limit; Profitability; Measures of Profitability; Statement of the Problem of Liquidity Management; Theories of Liquidity Management: Trade off Theory Liquidity, Pecking Order Theory Liquidity; Theories of Profitability: Clark Theory of Profitability, Schumpeter Theory of Profitability; Objectives of the Study of the Liquidity Management and Profitability; Funding Scenario

#### **Capital Adequacy**

Marks: 12

Introduction; Capital Adequacy in Banks; General Provisions; Philosophy of Bank Capital Adequacy; Nature of Capital Adequacy of Banks; Functions of Capital Funds: The Loss-Absorbing Function, The Confidence Function, The Financing Function, The Restrictive Function; Basel Norms on Capital Adequacy: Basel I Norms, Basel II Norms, Basel III Guidelines; Capital Adequacy Standard in India; The Present State of Capital Standards for Commercial Banks in India

#### **Investment Management and Credit Management**

Marks: 16

Introduction of Investment Management; Portfolio Management and Advisory Services; Separately Managed Accounts: Trusts, Investment Agency Accounts, Mutual Fund Wrap Accounts, Collective Investment Funds (CIFs); Types of Investors: Personal Investors, Institutional Investors; Investment Risks: Transaction Risk, Compliance Risk, Strategic Risk, Reputation Risk; Risk Management Processes; Credit Risk Management; Tools of Credit Risk Management: Exposure Ceilings, Review/Renewal, Risk Rating Model, Risk based scientific pricing, Portfolio Management, Loan Review Mechanism; Principles of Sound Lending: Safety, Liquidity, Profitability, The Purpose of the Loan

#### **Asset-Liability Management**

Marks: 12

Introduction; Asset Liability Management; Process: Information Systems, organization, Process; Measuring Risk; Managing Interest Rate Risk; Concept of Non Performing Assets; NPAs Classification; Types of NPA; Causes Accountable for Rising NPAs; Impact of NPA on the Operations of Banks; Measures to Control NPAs: Preventive Measures, Curative Measures; Prudential Norms

#### **Technology in Banking**

Marks: 12

Introduction; Recent Trends in Banking Technology; Digital Signature: Digital Signature Format in PDF, Digital Signature Certificates, Digital Signature Certificate Verification, Precautions while using Digital Signature Certificates; Electronic Fund Transfer (EFT); Electronic Clearing Services (ECS): Electronic Credit Clearing, Electronic Debit Clearing; Real Time Gross Settlement System (RTGS); SWIFT; Electronic Banking: SMS Banking, Mobile Banking, Telephone Banking, Interactive Voice Response (IVR)

## **Relationship Banking**

Marks: 12

Introduction; Importance; Services Offered in Relationship Banking; Merits and Demerits; Definition of Banker; Banker-Customer Relationship: General Relationship, Special Relationship; Customer Relationship Management in Banks: Types, Need for Customer Relationship Management, CRM's Benefits to the Banking Industry, Implementing and Integrating CRM Solutions

## **International Banking**

Marks: 10

Introduction; Types of Expansion; International Financial Transactions: International Lending, International Borrowings; Differences in Balance Sheets and Performance Between Foreign and Domestic Banks; Foreign Trade Financing: The Foreign Exchange Market, Foreign Exchange Trading, Exchange Rates, Foreign Exchange Risk

## **Reference Books:**

1. Alexander-Andrew, V., 2007. The Effectiveness of Credit Derivatives on Bank Portfolio Management for Bank Holding Companies. ProQuest.
2. Choudhry, M., 2010. The Repo Handbook. 2nd ed., Butterworth-Heinemann.
3. Duttweiler, R., 2011. Managing Liquidity in Banks: A Top Down Approach. John Wiley & Sons.
4. Ferri, G., Kang, S. T. and Kim, I., 2001. The Value of Relationship Banking During Financial Crises: Evidence from the Republic of Korea. World Bank Publications.
5. Gopalakrishnan, V. T., 2004. Management of Non-performing Advances: A Study with Reference to Public Sector Banks. Northern Book Centre.
6. Iibf, 2007. Information Technology, Data Communications & Electronic Banking. Macmillan.
7. Keyes, J., 1998. Banking Technology Handbook. CRC Press.

## **0201360: BANKING LAW AND PRACTICE**

Full Marks: 100

### **An Introduction to Banking System**

Marks: 10

Introduction: Reserve Bank of India as a Central Bank of the Country, State Bank of India and its Associate (Subsidiaries) Banks-A New Channel of Rural Credit, Nationalisation of Banks for Implementing Government Policies, Regional Rural Banks, Local Area Banks, New Private Sector Banks; Structure of Banks in India; Different Types of Banks in India; Constituents of the Indian Banking System: Commercial Banks, Public Sector Banks, Private Sector Banks, Foreign Banks, Co-operative Banking System BANKING SYSTEM, Short-term Agricultural Credit institutions, Long-term Agricultural Credit Institutions, Urban Cooperative Banks, Development Banks, National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI), National Housing Bank (NHB), Export Import Bank of India (EXIM Bank); Functions of Commercial Banks

### **Regulation and Control on Banking in India**

Marks: 14

Introduction: Reserve Bank of India Act, 1934; Banking Regulation Act, 1949: Other Important Sections of Banking Regulation Act, 1949, Other Compliance Requirements; Opening of New Banks and Branch Licensing: Setting up of a New Bank, Branch Licensing; New Bank Licensing Policy, 2013; Cash-Currency Management: Currency Chests, Currency Printing and Coin Minting; Audit; Inspection; Fraud: Classification of Frauds; Corporate Governance: Effective Corporate Governance Practices, Corporate Governance in Banks, Role of Banks; Banking Codes and Standards Board of India (BSCSBI); The Banking Ombudsman Scheme: Grounds of Complaints, Miscellaneous Provisions

## **Banker-Customer Relation**

Marks: 15

Introduction; Meaning of a Banking Company: Features of Banking; Customer; Banker and his Rights: Right of Appropriation of a Banker, Right of General Lien of a Banker; Special Features of a Banker's Right of General Lien; Various Types of Customers: Individuals, Hindu Undivided Family (HUF), Firms, Companies, Trusts, Clubs, Local Authorities, Co-operative Societies; Closing of a Bank Account: Voluntary Termination, If the Bank Desires to Close the Account, Termination by Law; 'Know Your Customer' (KYC) Guidelines of the RBI: Customer Identification Procedure, Customer Identification Requirements, Specimen Signature, Power of Attorney; Closing of a Bank Account; Insurance of Bank Deposits: Salient Features of Deposit Insurance; Nomination: Settlement of Claims, Settlement of Claims from a Nominee, Payment of Balance without Succession Certificate

## **Legal Aspects of Banking Operations**

Marks: 15

Introduction: Different Types of Cheques; Crossing of a Cheque: Cheque Crossed Generally, Cheque Crossed Specially, Payment of Cheque Crossed Generally or Specially, Cheque Bearing 'Not Negotiable', Double Crossing; Endorsement: Legal Provisions Regarding Endorsements, General Rules Regarding the Form of Endorsements; Legal Aspects of Collection of a Cheque: Banker as a Holder for Value, Collecting Banker as an Agent, Conversion by the Collecting Banker, Statutory Protection to Collecting Bank; Duties of the Collecting Bank: Duty to Open the Account with References and Sufficient Documentary Proof, Duty to Confirm the Reference where the Referee is not known or has given Reference in Absentia, Duty to Ensure Crossing and Special Crossing, Duty to Verify the Instruments or Any Apparent Defect in the Instruments, Duty to Take into Account the State of Customer's Account, Negligence of Collecting Bank in Collecting Cheques Payable to Third Parties; Indemnities; Guarantees; Banking Hours/Working Hours/Operation: Sick/Old/Incapacitated Account Holders-Operational Procedure, Remittance; Complaints; Erroneous Debits arising on Fraudulent or Other Transactions; Safe Deposit Locker/Safe Custody Article Facility

## **Banking Related Laws**

Marks: 12

Introduction: Important Aspects, Period of Limitation for Certain Documents, Revival of Documents, Court Holiday, Limitation Period-Precautions to be taken by Bank; Banker's Book Evidence Act, 1891: Important Aspects of Bankers' Book Evidence Act, 1891; Tax Laws Applicable in Banking Operations; Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (DRT ACT): Debt Recovery Tribunals; Lok Adalats; SARFAESI ACT, 2002: SARFAESI Act-Important Aspects, Securitisation, Asset Reconstruction, Enforcement of Security Interest; Lenders Liability Act; Banking Ombudsman: Important Features of Banking Ombudsman; The Consumer Protection Act, 1986

## **Financial Analysis of Banks**

Marks: 9

Introduction; Financial Analysis: Analysis of Balance Sheet, Analysis of Profit and Loss Account, Analysis of Funds flow/Cash Flow Statements; Techniques used in Analysis of Financial Statements; Du Pont Model: Special Issues in Financial Analysis-Banking Industry; Financial Analysis by Bank as a Lender; Bankers as Investors

## **Risk Management in Banks**

Marks: 11

Introduction: Risks; Risk Management-Important Features; Risk Management Structure: Risk Management under Basel I, Risk Management under Basel II; Credit Risk Management: Mitigation of Credit Risk, Credit Risk Measurement-Basel II Norms; Liquidity and Market Risk Management: Market Risks, Other Important Risks, Country Risk Management System (CRMS); Operational Risks: Some Examples of Operational Risks; Risk Management under Basel III; Reporting of Banking Risks; Risk Adjusted Performance Evaluation: Important Aspects

## **Ethics and Corporate Governance in Banks**

Marks: 14

Introduction: Understanding Ethics, Rights of People, Ethical and Unethical Issues; Business Ethics: What is a Code of Ethics?, Ethical Aspects in Human Resource Management, Ethical Aspects in Marketing Management, Ethical Aspect in

Financial Management, Desired Ethical Practices and Corporate Governance; Corporate Social Responsibility in the Financial Sector; Corporate Governance in Banking System; Compliance Officer; Clause: Audit Committee (AC), Auditors and other Internal Audit Reports, Customer Service Committee, Special Committee for Monitoring Large Value Frauds, IT Strategy Committee, Remuneration Committee, Nomination Committee; Disclosure New Clause; Basel Committee Recommendations; Auditor's Certificate on Corporate Governance

#### **Reference Books:**

1. Khanna, P., 2005. Advanced Study in Money and Banking: Theory and Policy Relevance in the Indian Economy, Volume 1. Atlantic Publishers & Dist.
2. Nelson, B., 2013. Law and Ethics in Global Business: How to Integrate Law and Ethics into Corporate Governance Around the World. Routledge.
3. Rajesh, Banking Theory Law N Practice. Tata McGraw-Hill Education.
4. Rajola & Federico., 2013. Customer Relationship Management in the Financial Industry: Organizational Processes and Technology Innovation. Springer.
5. Swift, R. S., 2001, Accelerating Customer Relationships: Using CRM and Relationship Technologies. Prentice Hall Professional

### **0201361: FINANCIAL INSTITUTIONS AND FINANCIAL MARKETS**

Full Marks: 100

#### **Financial Markets: Role and Structure in the Industry**

Marks: 11

Financial System Structure and Functions; Financial Markets and their Economic Functions; Stock Exchanges in India; Security Measures and Operational Features of BSE and NSE: Market Timings, Automated Trading System, Rolling Settlement and Settlement Cycle; Financial Intermediaries and Their Functions; Financial Markets Structure: Financial Instruments, Classification of Financial Markets; Financial Market Regulation; Role of Financial Institutions: Role of Depository Institutions, Role of Non-depository Financial Institutions; Role of Financial Markets: Accommodating Corporate Finance Needs, Accommodating Investment Needs, Primary versus Secondary Markets

#### **Determination of Interest Rates**

Marks: 12

Introduction; Interest Rate Determination: The Rate of Interest, Interest Rate Theories: Loanable Funds Theory, Interest Rate Theories: Liquidity Preference Theory; Determinants of Interest Rates for Individual Securities: Inflation is the Rate of Change in the Overall Price Level, Default or Credit Risk, Liquidity Risk, Special Provisions of Covenants, Term to Maturity; Forecasting Interest Rates

#### **Term Structure of Interest Rates**

Marks: 9

Introduction; Theories of Term Structure of Interest Rates: Expectations Theory, Liquidity Premium Theory, Market Segmentation Theory, The Preferred Habitat Theory; Forward Interest Rates and Yield Curve

#### **Money Market**

Marks: 12

Introduction: The Role of Money Markets, Money Market Segments, Money Market Participants; Money Market Instruments: Treasury Bills and other Government Securities, The Interbank Market Loans, Commercial Papers, Certificates of Deposit, Repurchase Agreements, International Money Market Securities; Money Market Interest Rates and Yields

## **Debt Markets**

Marks: 12

Debt Market Instrument Characteristics: Important Characteristics of Bonds, The Types of Bonds; Bond Market: Bond Market Characteristics, Bond Market Yields; Bond Valuation: Discounted Models, Bond Duration and Risk, Bond Price Volatility, Behaviour of Macaulay's Duration, Immunisation, Bond Convexity; Bond Analysis: Inverse Floaters and Floating Rate Notes, Callable Bonds, Convertible Bonds

## **Equity Markets**

Marks: 14

Introduction; Equity Instruments: Common Shares, Preferred Shares, Private Equity, Global Shares and American Depository Receipts (ADR); Primary Equity Market: Primary Public Market; Secondary Equity Market: Organised exchanges, Over-the-Counter (OTC) Market, Electronic Stock Markets; Secondary Equity Market Structure: Cash vs. Forward Markets, Continuous Markets and Auction Markets, Order-driven Markets and Quote-driven Markets, Hybrid Markets; Equity Market Transactions: Bid-ask Spread, Margin Trading, Short Selling, Stock Trading Regulations; Equity Market Characteristics: Stock Indicators, Stock Market Indexes, Stock Market Indicators, Transaction Execution Costs; Stock Valuation: Fundamental Analysis, Technical Analysis

## **Derivative Market**

Marks: 14

Hedging Against Risk; Description of Derivatives Markets; Forward and Futures Contracts: Principles of Forward and Futures Contracts, Forward and Futures Valuation, Use of Forwards and Futures, Futures Contracts: Stock Index Futures, Contracts for Difference (CFD); Swaps; Options: Options Definition, Components of the Option Price, Determinants of the Option Price, Option Pricing Models, Mixed Strategies in Options Trading; Depository System: Depository Participant (DP), Need and Importance of Depository System

## **Financial Institutions in India**

Marks: 16

Introduction; Institutional Support: National Small Industries Corporation (NSIC), Small Industries Development Organisation (SIDO), Small Industries Service Institutes (SISI), Small-Scale Industries Board (SSIB), State Small Industries Development Corporations (SSIDC), District Industries Centres (DIC); Financial System and Banking System; Constituents of the Financial System: Financial Institutions; Indian Financial System; Indian Banking System Evolution of Commercial Banking in India: Phase of Banking Consolidation: 1951-1964, Phase of Innovative Banking: 1964-1990, Phase of Prudential Banking - Since Early Nineties

## **Reference Books:**

1. Bhole, M. L., 2004. Financial Institutions and Markets: Structure, Growth and Innovations, 4e. Tata McGraw-Hill Education.
2. Culbertson, J. M., 1957. The Term Structure of Interest Rates. Quarterly Journal of Economics.
3. Estrella, A. & Mishkin, F. S., 1996. The yield curve as a predictor of U.S. recessions. Federal Reserve Bank of New York Current Issues in Economics and Finance.
4. Favero, C. A., Kaminska, I. & Soderstrom, U. 2005. The predictive power of the yield spread: Further evidence and a structural interpretation. CEPR Discussion Paper.
5. Madura, J., 2008. Financial Markets and Institutions. Prentice-Hall International

## 0201362: FINANCIAL DECISION ANALYSIS

Full Marks: 100

### **Introduction to Financial Statement Analysis**

Marks: 10

Introduction; Meaning of Finance: Definition of Finance; Introduction to Financial Statement; Meaning and Definition of Financial Statement: Income Statement, Position Statement, Statement of Changes in Owner's Equity, Statement of Changes in Financial Position; Types of Financial Statement Analysis; Techniques of Financial Statement Analysis: Comparative Statement Analysis, Comparative Balance Sheet Analysis, Comparative Profit and Loss Account Analysis, Trend Analysis, Common Size Analysis; Funds Flow Statement; Cash Flow Statement; Ratio Analysis: Liquidity Ratio, Activity Ratio, Solvency Ratio, Profitability Ratio

### **Basic Concept of Time Value of Money**

Marks: 11

Introduction; Reasons for Time Value of Money; Timelines and Notation; Valuation Concepts; Techniques of Time Value of Money: Compounding Techniques/Future Value Technique, Future Value of a Single Amount (Lumpsum); Multiple Compounding Periods; Future Value of Multiple Cash Flows; Effective Rate of Interest In Case of Multi-Period Compounding: Growth Rate; Discounting or Present Value Concept; Simple and Compound Interest: Compound Interest, Compound Growth Rate

### **Valuing Bonds**

Marks: 11

Introduction; Bond Prices and Interest Rates: The Present Value Relationship, A Measure of Interest Rate Risk in Bonds, A More Formal Measure of Interest Rate Risk – Duration; Determinants of Interest Rates: Level of Interest Rates, Maturity Premium, Default Premium; Special Feature in Bonds and Pricing Effects: Convertibility, Callability, Pre-payment Option, Interest Rate Caps and Floors, Other Features

### **Risk and Return**

Marks: 9

Introduction; Return: Stock Returns, Portfolio Return, Portfolio Proportions, Mean Return; Variance and Covariance: Sample Variance, Sample Covariance; Population Return and Variance: Expectations, Expected Return, Population Variance, Population Covariance; Portfolio Variance: Two Assets, Correlation Coefficient, General Formula, Effect of Diversification

### **Cost of Capital**

Marks: 15

Introduction; Meaning of Cost of Capital: Definitions; Assumption of Cost of Capital; Classification of Cost of Capital: Explicit and Implicit Cost, Average and Marginal Cost, Historical and Future Cost; Importance of Cost of Capital; Computation of Cost of Capital: Cost of Equity, Dividend Price Approach, Dividend Price plus Growth Approach, Earning Price Approach, Realised Yield Approach, Cost of Debt, Debt Issued at Par, Debt Issued at Premium or Discount, Cost of Perpetual Debt and Redeemable Debt, Cost of Preference Share Capital, Cost of Retained Earnings, Measurement of Overall Cost of Capital

### **Capital Budgeting**

Marks: 12

Introduction; Definitions; Need and Importance of Capital Budgeting; Capital Budgeting Process; Kinds of Capital Budgeting Decisions; Methods of Capital Budgeting of Evaluation: Pay-back Period, Post Pay-back Profitability Method, Accounting Rate of Return or Average Rate of Return, Net Present Value, Internal Rate of Return, Capital Rationing; Risk and Uncertainty in Capital Budgeting: Construction of Decision Tree

## **Capitalisation and Capital Structure**

Marks: 15

Introduction; Meaning of Capital: Fixed Capital, Working Capital; Capitalisation; Types of Capitalisation: Over Capitalisation, Under Capitalisation, Watered Capitalisation; Capital Structure: Meaning of Capital Structure, Definition of Capital Structure; Financial Structure; Optimum Capital Structure: Objectives of Capital Structure, Forms of Capital Structure; Factors Determining Capital Structure; Capital Structure Theories: Traditional Approach, Net Income (NI) Approach, Net Operating Income (NOI) Approach, Modigliani and Miller Approach

## **Leverage and Dividend Decisions**

Marks: 17

Introduction; Meaning of Leverage: Definition of Leverage, Types of Leverages; Operating Leverage: Degree of Operating Leverage, Uses of Operating Leverage; Financial Leverage: Degree of Financial Leverage, Alternative Definition of Financial Leverage, Uses of Financial Leverage, Financial BEP, Indifference Point; Combined Leverage: Degree of Combined Leverage; Working Capital Leverage; Dividend Decisions: Meaning of Dividend; Types of Dividend: Cash Dividend, Stock Dividend, Bond Dividend, Property Dividend; Dividend Decision: Irrelevance of Dividend, Modigliani and Miller's Approach; Relevance of Dividend: Walter's Model, Gordon's Model; Factors Determining Dividend Policy; Types of Dividend Policy

## **Reference Books:**

1. Foster, G., 1978. Financial Statement Analysis, 2/e. Springer.
2. Ghosh, A., 2012. Capital Structure and Firm Performance. Transaction Publishers.
3. Gibson, C., 2012. Financial Reporting and Analysis. Cengage Learning.
4. Jorgenson, D. W. & Lau, L. J., 2000. Econometrics. MIT Press.
5. Keown, Financial Management: Principles and Applications, 10/e. Pearson Education India.
6. Sarkar, S., 2011. *International Journal of Finance and Policy Analysis: Volume 3*. Universal-Publishers.

## **0201363: e-COMMERCE AND BANKING**

Full Marks: 100

### **Introduction to E-commerce**

Marks: 10

Introduction; Overview of the E-commerce; Advantages of E-commerce: Advantages to Organisations, Advantages to Customers, Advantages to Society; Disadvantages of E-commerce: Technical Disadvantages, Non-Technical Disadvantages; Payment System of E-commerce: Credit Card, Debit Card, Smart Card, E-Money, Electronic Fund Transfer; Types of E-commerce: B2B - Business to Business, B2C - Business to Consumer, C2B - Consumer to Business, B2E - Business to Employee, C2C - Consumer to Consumer; Features of E-commerce; Difference between Electronic Commerce and Traditional Commerce; Scope of Electronic Commerce; Present Status of E-commerce in India; Forces Fuelling E-commerce: Economic Forces, Market Forces, Technology Forces

### **Introduction to E-banking**

Marks: 14

Introduction; Benefits of E-Banking; Challenges in E-Banking; Types of Online Banking: PC Banking, Internet Banking, Digital TV Banking, Text Phone Banking; Forms of Electronic Banking: Electronic Banking Using a Telephone Connection, Phone Banking, Automated Telephone System, SMS Banking, GSM SIM Toolkit, WAP (Wireless Application Protocol), Electronic Banking using Personal Computers, Home Banking, Internet Banking, Mail Banking, Payment Instruments and Self-Service Zones; Impact of E Banking on Traditional services; E-banking in India; Future of Online Banking

## **E - Banking Risk and Risk Management Activities**

Marks: 15

Introduction; Types of Risks Associated with E banking: Transaction/Operations Risks, Credit Risks, Liquidity, Interest Rate, Price/Market Risks, Compliance/Legal Risks, Strategic Risks, Reputation Risks, Money Laundering Risks, Cross Border Risks; Risk Management Activities: Assessing Risks, Managing and Controlling Risks, Security Policies and Measures, Internal Communication, Evaluating and Upgrading, Outsourcing, Disclosure and Consumer Education, Contingency Planning, Monitoring Risks, System Testing and Surveillance, Auditing and Managing Crosses Border Risks; Management of Cross Border Risks

## **E-commerce and Banking Payment System**

Marks: 12

Introduction: Characteristics of Online Payment Systems, Usage of Electronic Payment Systems, Critical Success Factors of E-Commerce Payment System; Types of Electronic Payment System: Credit Cards, Debit Cards, Mediating Services, Mobile Payment and Telephony Account System, Payment via Online Banking, Smart Card System, Online Cash System, Electronic Cash Payment System, Micropayments, International Electronic Payment; Comparison of Electronic Payment System

## **Technology and Security Standards for E-Commerce and Banking**

Marks: 12

Introduction: Computer Networking and Internet, Banking Product, Application Architecture; Definition of Electronic Signature and Authentication; Basic Principles of Information Security: Confidentiality, Integrity, Availability, Authenticity, Non-repudiation, Identification, Authorisation, Accountability and Auditability; Application Control and Security; Physical and Personal Security; Encryption; Data Security; Vulnerability Assessment; Establishing On-Going Security Monitoring Processes; Security Measures against Malware; Audit Trails; Firewalls; Cloud Computing

## **Legal Issues in E-banking**

Marks: 11

Introduction; Obligation of Banks and Online Banking: Banks have to maintain Secrecy, Obligation to Produce Documents, Obligation to Verify Forgery of Signatures, To Provide Proper Service to the Customer, Proper User ID, Passwords and/or Personal Identification, Secure Zones, Revocation and Amendment of Instructions, Rights and Liabilities of the Parties, Internet Banking and Money Laundering, Maintenance of Records, Inter-Bank Electronic Funds Transfer; Measures to Control Risk Due to Internet Banking

## **Regulatory and Supervisory Concerns in E-Banking**

Marks: 15

Introduction; Major Supervisory Concerns: Operational Issues, Cross Border Issues, Customer Protection and Confidentiality Issues, Competitiveness and Profitability Issues; Risk Management of Cross-Border E-Banking Activities; Supervision of Cross-border E-Banking Activities; The Role and Responsibilities of the Home Country Banking Supervisor; Recommendations by RBI for E-Banking: Transactional Services on the Internet, Auditor's Discussions, Checklist Development, Risks and Controls in Computers and Telecommunications, Payment Gateway, Reputation Risk due To Customers Misunderstanding

## **E-banking Project Management**

Marks: 11

Introduction; Project Planning; Setting Success Criteria; Partial Behavioural Model of IS Use; Common Reasons for Failure of Technology Projects; Typical Steps in an E-Banking Project; Project Management Methodology/Tools; PRINCE2; Microsoft Project; A Systems Approach to Project Management; Managing Human Issues

## **Reference Books:**

1. Abrazhevich, D., 2004. Electronic Payment Systems: a User-Centered Perspective and Interaction Design. Dennis Abrazhevich.
2. Clifford, G. Banking and Finance: Theory, Law and Practice. PHI Learning Pvt. Ltd.



3. Dave, C., 2008. E-Business and E-Commerce Management. Pearson Education India.
4. Dube, D. P. and Gulati, V. P., 2005. Information System Audit and Assurance. Tata McGraw-Hill Education.
5. Effros, C. R., 1998. Current Legal Issues Affecting Central Banks, Volume 5. International Monetary Fund.
6. Gkoutzinis, AA., 2006. Internet Banking and the Law in Europe: Regulation, Financial Integration and Electronic Commerce. Cambridge University Press.