

**St. Joseph's College of Commerce (Autonomous)
#163, Brigade Road, Bangalore – 560 025**

LESSON PLAN- B. Com Electives

Subject Code: EL 15 BK 504
Subject Name: BANK MANAGEMENT
Faculty: Dr.D.Raja Jebasingh
Academic Year: 2018-19

Degree/Branch: B.Com & BBA
Year/Sem: III Year / V SEM ODD
Total Lecture Hrs: 60

Objective: The Course will provide the Students to

- **Provide a general overview of the lending mechanism of banks.**
- **Facilitate the understanding of assessment and appraisal procedures for loans.**
- **Help in the familiarization of documentation, legal formalities and loan recovery in banks.**

Sl. No	UNIT & OBJECTIVES	No. of Lecture Hours	Methodology/ Instructional techniques	Evaluation/ learning confirmation
Module I	Evolution of money and banking – Core Banking concepts of DRAT, DRT and Sarfaesi Act - Central banking structure – Function of commercial banking – Financial Institutions in India – Banking regulation act	06		
I	Evolution of money and banking – Core Banking	1	Lecture/PPT	
	Concepts of DRAT, DRT and Sarfaesi Act	1	Lecture/Discussion	
	-Central banking structure –	1	Lecture/PPT	
	Function of commercial banking – Financial Institutions in India	2	Lecture/PPT	
	Banking regulation act	1	Lecture/PPT	Q&A, Assignment

Module -II	Types of Borrowers ; Principles of lending — types of loans and advances — priority sector advances —Self-employment schemes — tribal and physically handicapped borrowers — women entrepreneurs— finance of SSI— personal and consumer loans — loans to partnership firms, government and local bodies —issues in lending- financial adequacy— assessing the borrower—project appraisal — technical feasibility — management competence — economic feasibility—legal and practical points — Guarantee Schemes available to banks	10		
	Principles of lending — types of loans and advances	1	Lecture/Discussion	
	Priority sector advances —Self-employment schemes	1	Lecture/ Black Board	
	Tribal and physically handicapped borrowers	1	Lecture/Black Board	
	women entrepreneurs—	1	Lecture/ Black Board	
	Finance of SSI	1	Lecture/ Black Board	
	Personal and consumer loans — loans to partnership firms	1	Lecture/Discussion	
	government and local bodies —issues in lending- financial adequacy	1	Lecture/Discussion	
	Assessing the borrower—project appraisal	1	Lecture/ Black Board	
	Guarantee Schemes available to banks	1		
Guarantee Schemes available to banks- Cont...,	1			

Module III	Overview of Banks Credit Policy Introduction to Credit policy, Importance, Objectives and Formulation of Loan policy, Credit Exposure and RBI norms, Different types of Loan and Advances, Fund based and Non-Fund based facilities.	10		
	Introduction to Credit policy, Importance, Objectives	2	Lecture/PPT	
	Formulation of Loan policy	2	Lecture/PPT	Q&A, Assignment
	Credit Exposure and RBI norms	2	Chalk and Talk	
	Different types of Loan and Advances	2	PPT/Discussion	Assignment
	Fund based and Non-Fund based facilities.	2	Lecture/ Black Board	
Module IV	Appraisal of Credit Proposals Introduction, Meaning and Scope of Credit Appraisal, The credit process, Pre-Appraisal stage, Appraisal stage, Post-sanction Compliance: Monitoring and Supervision of Advances, Documentation, Purpose, Process for Fresh Advances, Documentation at time of Renewal/Enhancement/Death of a borrower	12		
	Introduction, Meaning and Scope of Credit	2	Lecture/PPT	Q&A, Assignment
	credit process	2	Lecture/PPT	
	Pre-Appraisal stage, Appraisal stage, Post-sanction Compliance:	2	Lecture/PPT	
	Monitoring and Supervision of Advances, Documentation,	2	Lecture/Discussion	
	Purpose, Process for Fresh Advances	2	Lecture/Discussion	Assignment
	Documentation at time of Renewal/Enhancement/Death of a borrower	2		

Module V	Loan Recovery: Follow up of loans — health codes — Narasimhan Committee on classification of assets — recovery process — follow up of satisfactory loans — irregular loans — sick : viable — under nursing — sick: non-viable! sticky — advances recalled—suit filed accounts — decreed loans — bad and doubtful debts — Techniques of follow up — QIS — Identification of sick units — Tiwari Committee Report—preparation of rehabilitation programs — implementation of rehabilitation programs — follow up at the branch / regional and head office levels — follow up of loans by RBI — management of non-performing advances —assets management companies — Loan Recovery Tribunals — Provisions of Revenue Recovery Act	14		
	Follow up of loans — health codes — Narasimhan Committee on classification of assets — recovery process	2	Lecture/Discussion	
	Recovery process — follow up of satisfactory loans — irregular loans — sick: viable — under nursing — sick: non-viable	2	Lecture/Discussion	
	Recovery process — follow up of satisfactory loans — irregular loans — sick: viable — under nursing — sick: non-viable	1	Lecture/Discussion	
	advances recalled—suit filed accounts — decreed loans — bad and doubtful debts — Techniques of follow up — QIS — Identification of sick units	2	Lecture/Discussion	Assignment
	Techniques of follow up — QIS — Identification of sick units	2	Lecture/Discussion	
	Tiwari Committee Report—preparation of rehabilitation programs — implementation of rehabilitation programs — follow up at the branch / regional and head office levels —	2	PPT	Q&A, Assignment
	RBI —management of non-performing advances —assets management companies — Loan Recovery Tribunals — Provisions of Revenue Recovery Act.	2	PPT	
	Do	1		

	Management of Non-Performing Assets Introduction, Meaning and Definition, Importance, and Classification of Non - Performing assets, Guidelines for classification, Provisioning norms, Recovery of NPA's, Strategies for reducing NPA's	8		
Module VI	Management of Non-Performing Assets- Introduction	2		
	Importance, and Classification	2	Lecture/Discussion	
	Performing assets, Guidelines for classification	1	Lecture/Discussion	
	Provisioning norms, Recovery of NPA's	1	Activity	
	Strategies for reducing NPA's	2	Lecture/Discussion	Assignment

Books for Reference:

- Bindhi S.N. and Sahae D. B. How bank credit is administered – supervision and follow up, New Delhi, vision books 1988
- Chatterjee A.J., & Sharma D.P., Management Techniques of Bank Lending, Bombay:
- Gupta L.C Controlling Corporate Sickness – lessons from experiences for manager and banker, New Delhi: Oxford University Press
- Singh S. P. Bank lending some controversial issues (Ed) Bombay: national Institute of bank Management
- Srinivasa H. V. Banker Handbook of Credit Management, New Delhi, Criterion Publication 1989

The following websites links are useful to download research articles / Important Documents

1. www.idrbt.ac.in
2. <https://www.rbi.org.in/Scripts/Publications.aspx?publication=Reports>
3. <http://www.nibmindia.org/>
4. <http://www.iibf.org.in/>
5. www.google.com
6. <http://nsbindia.net/>
7. www.doaj.org
8. www.ssrn.com