

MBAS 564: Rural Banking

Workload	: 04 hours per week
Examination	: 03 hours - 70 marks
Objectives	: <ul style="list-style-type: none">• Appreciate the challenges and opportunities of rural banking• Understand the structure and functions of co-operative banking• Describe the process and objectives of cash management by rural banks• Identify the methods used for liquidity management.
Course Outcome	<ol style="list-style-type: none">1. Able to work in rural banking sector.2. Able analyse the rural banking customers requirements3. Understand the Regulation, Supervision and Compliance of rural banking
Pedagogy	: Lectures, assignments, practical exercises, discussions, seminars

Module 1: Principles and functions of banking, Co-operative banking, Special features, Negotiable instruments, Cheques, bill of exchange, Promissory Notes. An insight into the rural banking scenario with special focus on prevailing opportunities and challenges.

Module 2: Banker customer relationship, Psycho-demographic approach, Customer centric vs business centric approach.

Module 3: Co-operative banking, agriculture and non-agriculture organization, function of State Apex Co-operative banks and District Central Co-operative Banks, RBI functions and role, NABARD, Lead Bank Scheme, RRB objective and functions. Strengthening the Regional Rural Banks (RRBs), reforms in cooperatives, expansion of the purview of the priority sector

Module 4: Banking and I.T., E-banking. ATM. M-banking in rural banking, opportunities and challenges.

Module 5: Domestic Cash Management, ST/MT Funding, Meaning and importance cash management, Objectives, Cash flow cycle, Cash flow budgeting and forecasting, Electronic cash management, MT and LT funding, Term loans, Securitization, Cost center, Profit center, Planning and control, Capital Budgeting.

Module 6: Liquidity Management- Objectives-Sources-Maturity concerns: Projected cash and core sources- Contingency Plans- ST/NT Liquidity – Maturity Ladder Limit- Internal control- Information- Netting.

Module 7: Regulation, Supervision and Compliance- Need and significance of internal and external audit.

Reference Books:

1. Banking Regulation Act.
2. K C Shekhar and Lekshmy Shekhar, Banking Theory and Practice, 21st Edition, Vikas Publishing House
3. IIBF (Indian Institute of Banking and Finance), Rural Banking, Macmillan
4. IIBF –Principles and practices of Banking –, 2/e, Macmillan, 2011.
5. Bala Krishna A V and Sohani A K, Indian Rural Banking: Changing Paradigm (Banking Series), ICFAI UNIVERSITY PRESS (2008).
6. Indian Institute of Banking Finance, Rural Banking Operations, Taxmann's Publications (2012)
7. SSM Desai, Rural Banking in India, HPH
8. Gordon and Natrajan, Banking theory law & practice, Himalay Publishing House
9. Premkumar Shrivastav, Banking theory and practice, Himalaya Publishing House
10. Bhaktapada Roy, Rural Banking and Poverty Alleviation, Abhijeet, 1 edition, 2008
11. Basu. A.K. Fundamentals of Banking Theory and Practice.
12. Chatterjee, A., Bank Credit Management.
13. Choubay, B.N., Principles and Practice of Co-operative Banking.
14. Tanan, M.L. Banking Law and Practice in Negotiable Instrument India Act.
15. Tanan, M.L., Banking Law and Practice

