

**III B.COM**  
**ELECTIVE SUBJECT**  
**ADVANCED BANKING -PAPER II**

**CO-OPERATIVE BANKING & DEVELOPMENT BANKING IN INDIA**

**CO-OPERATIVE BANKING:**

1. Meaning, scope, definitions, objectives and functions of co-operative banking – importance of co-operative credit structure in developing economies like India.
2. Evolution of co-operative credit movement in India, Maclegon Committee Report and its recommendations –basic principles of co-operative movement –reasons and causes for co-operative banks as the weakest links in the credit structure in India –reasons for their failure in India.
3. Co-operative banks and rural credit –agricultural credit – structure of co-operative banks in India –state co-operative banks – central co-operative banks – primary agricultural credit societies – urban co-operative banks, land mortgage/ development banks – co-operative banks and credit to cottage, village and small scale industries, rural artisans.

**DEVELOPMENT BANKING IN INDIA:**

1. Meaning, nature, scope, need and functions of development banks.
2. Evolution of the concept of development banks –growth of development banks in India –functions of development banks specially in a developing economy like India – promotional or development or financial or all.
3. Assistance – types of assistance – geographical coverage – functional coverage, size of the assistance, ownership pattern – development banks and the government, RBI and the development banks, sources of finance – incorporation of development banks in India.
4. A brief review of the functions and operations of IFCI, IDBI, SFCs, IRBI, SIDBI, commercial banks and industrial finance.
5. Irrelevance of development banking in India: reverse merger of ICICI into ICICI bank in 2003, IDBI setting banking license, Indian banks emerging as financial supermarkets.

**References:**

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|-------------------------------------|---|
| 1. Krishnaswamy                     | : Fundamentals of co-operation<br>(Delhi S. Chand)  |
| 2. Choudry B.L                      | : Co-operative banking in India   |
| 3. Srivastave, Prakash<br>and Other | : Agricultural economics and co-operation<br>(Delhi S. Chand)                               |
| 4. Metha, V.L                       | : Towards a co-operative socialist common<br>wealth. (Maharashtra State Co-operative Union) |