H. L. College of Commerce (Autonomous)
Self-Financed Programmes
B.Com. – Banking and Financial Services Syllabus

Sem: 4	Course Code:	Course Title: **Retail & Agricultural Lending**
Credits: **4**	**BFM209-2C**	Course Category: **Major Course**

Course Objective: The objective of this course is to provide students with a comprehensive understanding of the principles, practices, and challenges associated with retail and agricultural lending in the banking and financial services sector in India. It aims to equip students with the knowledge necessary to understand the specific requirements of these lending segments, loan origination, credit appraisal, risk management, regulatory compliance etc. By the end of the course, students will be able to understand the processes, practices, factors and landscape of retail and agricultural lending and evaluate the role of these lending activities in financial inclusion and overall economic development.

Course Outcomes: Upon successful completion of this course, students will be able to:

CO	Cognitive Abilities	Course Outcomes
CO1	Remembering	Remember the fundamental concepts, terminology, and key features of retail and agricultural lending products, relevant regulatory bodies and key government schemes.
CO2	Understanding	Understand the distinct process and practices between retail and agricultural lending, the importance of these lending sectors in financial inclusion and economic development, the loan origination and credit appraisal processes, and the significance of regulatory compliance and consumer protection in lending.
CO3	Applying	Apply credit appraisal techniques and risk assessment methodologies to evaluate loan applications in both retail and agricultural lending, the use of credit scoring models in retail lending and recognize the challenges involved in agricultural lending.
CO4	Analyzing	Analyze the role of technology and innovation in improving lending practices, the risk factors associated with retail and agricultural lending; analyse & compare the risk management strategies in both sectors and microfinancing, and understand the implications of Income Recognition and Asset Classification (IRAC) norms for agriculture, allied sectors, and microloans.
CO5	Evaluating	Evaluate the effectiveness of different recovery mechanisms for NPAs in retail lending, assess the role of NABARD and other financial institutions in agricultural lending, and examine the impact of technology and innovative lending models on the efficiency and reach of both retail and agricultural lending.

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Course Content

Unit No.	Unit Contents	Sessions Allotted
1	**Introduction to Retail and Agricultural Lending** - Overview of retail and agricultural banking / lending in India - Importance in the banking sector - Role in Retail & Agricultural Lending in financial inclusion and economic development - Regulatory framework: RBI guidelines on priority sector lending norms.	15
2	**Retail Lending Practices:** - Types of retail loans: personal loans, home loans, auto loans, education loans, gold loans etc. - Loan origination and credit appraisal processes - Risk assessment and credit scoring models - Recovery mechanisms and non-performing assets (NPAs) - Regulatory compliance and consumer protection	15
3	**Agricultural Lending Practices:** - Types of agricultural loans: crop loans, term loans, Kisan Credit Card (KCC), Agri-Infrastructure Loans - Credit appraisal and risk assessment in agriculture - Monitoring of NPAs, Stressed Assets in Agricultural sector - Role of NABARD and other financial institutions - Government schemes and subsidies: PM-KISAN, interest subvention schemes. - Challenges in agricultural lending	15
4	**Risk Management of Lending and Innovations**: - Risk management strategies in retail lending - Risk mitigation in agriculture and micro financing - Income Recognition and Asset Classification (IRAC) norms for Agriculture/ Allied sector/Microloans - Use of technology and Innovation in lending: digital platforms, mobile banking, fintech solutions, microfinance, peer-to-peer lending, supply chain financing etc. - Credit Bureaus and their role *Case studies on successful lending models and practices*	15

Recommended Reading:
1. **Reference Books:**
i)   Retail Lending, Credit Monitoring, Documentation and Recovery Management: Concept and Practice, by D D Mukherjee
ii)   Agricultural Financing and Rural Development BY Dr. Bhupendra Kumar

2. Assessment Techniques:

1. Class participation, discussions and attendance
2. MCQs / Quizzes
3. Assignment project for real-world application of the learnings