

MNG-204
BANKING AND INSURANCE
Credit-3 Class Hours-35

Objectives:

1. To equip students with a thorough understanding of need and importance of banking and insurance in the modern day life.
2. To make students understand the basic legal provisions necessary for banks in India to operate.
3. To summarize methods of handling risk, identify and explain features of insurance, its advantages and disadvantages.

Module I: Overview of Banking

Evolution of Banking, Structure and Types of Banks (Commercial Bank, Cooperative Bank, Payment Bank, Small Banks), Roles of Banks (viz. Intermediation), Payment system, Financial services), Banking Services, Banking Products – Deposit and Loan products, Payment products. E-Banking, RTGS and NEFT.

Module II: Banking Regulations and Financial Stability

Need and importance of Banking regulation in India, Banking Regulation Act, 1949; KYC and AML guidelines, Banking Fraud, Banking Code, BASEL norms, SARFAESI ACT, ARCs, Banking ombudsman scheme; policies with respect to priority sector and MSMEs.

Module III: Basics of Insurance

Basic principles of business of insurance, Types of insurance: Life and Nonlife Insurance, Re Insurance. Principles governing marketing of insurance products; Insurance regulations and role of IRDA. Extension of insurance to Niche areas: Pension plans, Bancassurance, ULIPs, TPA, Micro Insurance, Insurance Inclusion.

Module IV: Insurance Risk and Claims Management

Risk and Uncertainty, Risks associated with business of insurance i.e .pure risk, financial risk, fundamental risk. Classification of pure risk, overlapping risks; Rules of Risk management, Risk management techniques, Risk management process, Underwriting. Claims settlement procedure for Life insurance, Motor insurance and Health Insurance.

Module – V: The concerned faculty shall have the liberty to define the course contents under this module and teach students accordingly.

Reference Books:

1. Banking Theory, Law and Practice – Gordon – Natarajan, HPH
2. Banking and Insurance – Mohapatra and Acharya, Pearson
3. Insurance and Risk Management, P.K. Gupta – HPH
4. RISK Management and Insurance – Trieckmann, Cengage
5. Banking Theory & Practice – Shekhar / Shekhar (Vikas)
6. Banking Law and Practice – S. Mishra (S Chand)
7. Banking law and Practice – Maheshwari and Maheshwari, Kalyani