

MBAS 513: PRINCIPLES AND PRACTICE OF BANKING AND INSURANCE

Workload	: 04 hours per week
Examination	: 03 hours - 70 marks
Objectives	: <ol style="list-style-type: none">1. Describe the structure, regulations, and products and services of banking system in India2. Describe international banking and regulations3. Comprehend the principles and practices of insurance industry and its products and services in India4. Grasp the process and principles of underwriting of insurance
Course Outcome	<ol style="list-style-type: none">1. Understand the changing trends in banking and insurance.2. Able to analyse the products and services offered by banking and insurance industry.3. Able to provide the services to banking and insurance companies.4. Understated the customers' rights.
Pedagogy	: Lectures, assignments, practical exercises, discussions, seminars

Module 1: Banking system and structure in India – Types of banks in operation – Role of Reserve Bank and GOI as regulator of banking system – Provisions of Banking Regulation Act and Reserve Bank of India Act.

Module 2: The terms banker and customer – types of relationship between banker and customer – Bankers obligations to customers – Right to lean, setoff, appropriation – Provisions of Negotiable Instrument Act, 1881 – Bankers legal duty of disclosure and related matters.

Module 3: Customer's accounts with banks- opening – operation – KYC norms and operation – Types of account and customers – nomination – settlement of death claims – Banking Technology – Home banking – ATMs- Internet banking- mobile banking-Core banking solutions – Debit, Credit and Smart cards – EFD – RTGS.

Module 4: Banker as lender – Types of loans – Overdraft facilities – discounting of bills – Financing book dates and supply bills – Charging of Security bills – pledge – mortgage – assignment; Cases.

Module 5: International banking – Exchange rates – Documentary letter of credit – financing exporters and importers – ECGC Policies and guarantees; and Cases.

Module 6: Introduction to Insurance – Insurable Interest – Human Life value concept – Elements of Insurance Risk – Principles of indemnity – Principles of Utmost good faith – Principle of Subrogation – Insurable Interest – Proximate Clause – Players in Life and Non-Life Insurance sector – Insurance documents – Procedure for issue – Alterations – duplicate policy – Nomination – Assignment – Lapse and revivals – Assignment – Foreclosure.

Module 7: Types of Insurance – Life Insurance and General Insurance Products including unit linked plans – Re- Insurance – Nature of Re Insurance risk – Types of Re-insurance- Reinsurance agreements – legal frame work of life and general insurance.

Module 8: Underwriting (Process and Principles) – underwriting in Life Insurance – Underwriting in Nonlife insurance Banc assurance – concepts – critical issues – functional aspects – Indian scenario – Future prospects – Insurance Accounting – Financial Analysis and valuations –Solvency and performance measures.

Reference Books:

1. Gupta P K –Fundamentals of Insurance – Himalaya Publishing House.
2. IIBF –Principles and Practice of Banking – 2/e, Macmillan, New Delhi.
3. Marrison.C-The Fundamentals of Risk Measurement –Tata Mcgraw Hill.
4. Dr.P.Subba Rao &Dr.P.K. Kanna- Principles and Practice of Bank Management- Himalaya Publishing House.
5. W F Gephart – Principles of Life Insurance – Mac Millan
6. K C Shekhar – Banking Theory and Practice – Vikas Publishing house PVT Ltd.
7. Shekhar KC, ShekharLekshmy – Banking Theory and practices – Vikas Publishing House, New Delhi.
8. Machiraju HR- Indian Financial System- Vikas Publishing House, New Delhi, 4thEdn.
9. Monika Mittal and Reena Matta, Insurance Management, 2nd Edition 2016, Kalyani Books.
