



INSTITUTE OF AERONAUTICAL ENGINEERING

(Autonomous)

Dundigal, Hyderabad -500 043

MASTER OF BUSINESS ADMINISTRATION

COURSE DESCRIPTOR

Course Title	BANKING, INSURANCE AND RISK MANAGEMENT			
Course Code	CMBB37			
Programme	MBA			
Semester	III			
Course Type	Professional Elective - IV			
Regulation	IARE - R18			
Course Structure	Lectures	Tutorials	Practical Work	Credits
	4	-	-	4
Chief Coordinator	Dr. T Vara Lakshmi, Associate Professor, MBA			
Course Faculty	Dr. T Vara Lakshmi, Associate Professor, MBA			

I. COURSE OVERVIEW:

The course defines the concept of banking, explains the functions of banks and Indian Commercial banking structure, banking sector reforms, evaluates the performance, narrates the deposit mix, forms of lending, types of advances, describes the formalities in dealing with different types of customers, explains the procedure of lending against different types of securities, discusses the various modes of creation of charges and the recent developments in the field of commercial banking. This course expounds the evolution of insurance, functions, nature and benefits of insurance; enumerates the classification of insurance and types of life and general insurance; exhibits the structure of Indian Insurance Industry; educates the IRDAI Condition, duties, powers and functions; explores the major reforms in the Indian insurance sector, elaborates the basic principles of Insurance and elucidates the Insurance Marketing and its significance; explains the risk and basic elements that empowers with contemporary developments.

II. COURSE PRE-REQUISITES:

Level	Course Code	Semester	Prerequisites
-	-	-	-

III. MARKS DISTRIBUTION:

Subject	SEE Examination	CIA Examination	Total Marks
Banking, Insurance and Risk Management	70 Marks	30 Marks	100

IV. DELIVERY / INSTRUCTIONAL METHODOLOGIES:

✓	Chalk & Talk	✗	Quiz	✓	Assignments	✓	MOOCs
✓	LCD / PPT	✓	Seminars	✗	Mini Project	✓	Videos
✗	Open Ended Experiments						

V. EVALUATION METHODOLOGY:

The course will be evaluated for a total of 100 marks, with 30 marks for Continuous Internal Assessment (CIA) and 70 marks for Semester End Examination (SEE). Out of 30 marks allotted for CIA during the semester, marks are awarded by taking average of two CIA examinations or the marks scored in the make-up examination.

Semester End Examination (SEE): The SEE is conducted for 70 marks of 3 hours duration. The syllabus for the theory courses is divided into five units and each unit carries equal weightage in terms of marks distribution. The question paper pattern is as follows. Two full questions with “either” or “choice” will be drawn from each unit. Each question carries 14 marks. There could be a maximum of two sub divisions in a question.

The emphasis on the questions is broadly based on the following criteria:

50 %	To test the objectiveness of the concept.
50 %	To test the analytical skill of the concept OR to test the application skill of the concept.

Continuous Internal Assessment (CIA):

CIA is conducted for a total of 30 marks (Table 1), with 25 marks for Continuous Internal Examination (CIE), 05 marks for Alternative Assessment Tool (AAT).

Table 1: Assessment pattern for CIA

Component	Theory		Total Marks
	CIE Exam	AAT	
CIA Marks	25	05	30

Continuous Internal Examination (CIE):

Two CIE exams shall be conducted at the end of the 8th and 16th week of the semester respectively. The CIE exam is conducted for 25 marks of 2 hours duration consisting of two parts. Part–A shall have five compulsory questions of one mark each. In part–B, four out of five questions have to be answered where, each question carries 5 marks. Marks are awarded by taking average of marks scored in two CIE exams.

Alternative Assessment Tool (AAT):

Marks shall be awarded considering the average of two AAT for every course. The AAT may include seminars, assignments, term paper, open ended experiments, five minutes video and MOOCs.

VI. HOW PROGRAM OUTCOMES ARE ASSESSED:

Program Outcomes (POs)		Strength	Proficiency assessed by
PO1	Managerial Skills: Apply knowledge of management theories and practices to solve business problems.	2	Assignments
PO4	Communication Skills: Ability to understand, analyze and communicate global, economic, legal and ethical aspects of business	3	Assignments
PO7	Strategic analysis: Ability to conduct strategic analysis using theoretical and practical applications.	3	Seminars
PO8	Technology Skills: Inculcate and develop technical skills to face the competitive world successfully.	2	Seminars

3 = High; 2 = Medium; 1 = Low

VII. COURSE OBJECTIVES :

The course should enable the students to:	
I.	Understand about banking business in the country for the purpose of knowing the deposits of banks in the new dimensions
II.	Analyze banking sector reforms and regulations for the purpose of knowing and minimizing deficiencies in Indian Banking system.
III.	Evaluate the business and economics of insurance for changing mindset and implement latest trends in Insurance business.
IV.	Understand the risk management techniques and non insurance methods for identification and measures of risk with the objective of minimizing the risk.

VIII. COURSE OUTCOMES (COs):

CO Code	CO's	At the end of the course, the student will have the ability to:	PO's Mapped	Strength of Mapping
CMBB37.01	CO1	Understand the Indian banking system and its origin and structure	PO1	2
CMBB37.02	CO2	Discuss the various services providing by the banks and new dimension in the real world	PO1, PO4	3
CMBB37.03	CO3	Demonstrate various legal aspects, purpose, functions and acts related to banking system and RBI.	PO4, PO7	3
CMBB37.04	CO4	Analyse the role of commercial banks, NPAs and reforms & deficiencies in Indian banking system	PO1, PO7	3
CMBB37.05	CO5	Explain the need, importance, principles and characteristics of insurance and its contract	PO1, PO4	3
CMBB37.06	CO6	Examine different products and branches of insurance and the role of agents and brokers.	PO1, PO4	3
CMBB37.07	CO7	Describe the history, legal framework, functions and governing issues of IRDAI.	PO4	3
CMBB37.08	CO8	Enumerate business and economics of insurance for changing mindsets as per the latest trends.	PO4, PO8	3
CMBB37.09	CO9	Introduce the risk, types of risks, methods and risk management process in business	PO1	2
CMBB37.10	CO10	Identify the techniques and measurements for risks and non insurance methods.	PO7, PO8	3

3 = High; 2 = Medium; 1 = Low

IX. MAPPING COURSE OUTCOMES LEADING TO THE ACHIEVEMENT OF PROGRAM OUTCOMES:

COs	Program Outcomes (POs)			
	PO1	PO4	PO7	PO8
CO 1	2			
CO 2	3	3		
CO 3		3	3	
CO 4	3		3	
CO 5	3	3		
CO 6	3	3		
CO 7		3		
CO 8		3		3
CO 9	2			
CO 10			3	3

3 = High; 2 = Medium; 1 = Low

X. ASSESSMENT METHODOLOGIES – DIRECT

CIE Exams	PO1, PO4, PO7, PO8.	SEE Exams	PO1, PO4, PO7, PO8.	Assignments	PO1,PO4	Seminars	PO7, PO8.
Laboratory Practices	-	Guest Lecture	-	Mini Project	-	Certification	-
Term Paper							

XI. ASSESSMENT METHODOLOGIES - INDIRECT

√	Assessment of course Outcomes (by feedback, once)	√	Student feedback on faculty (twice)
X	Assessment of mini projects by experts		

XII. SYLLABUS

UNIT– I	INTRODUCTION TO BANKING BUSINESS
Introduction to banking sectors, History of banking business in India, Structure of Indian banking system, Types of accounts, advances and deposits in a bank, New dimensions and Products, E-banking, Mobile banking, Net banking, CRM, Cheque system and KYC system	
UNIT–II	BANKING REFORMS AND REGULATIONS
Banking regulation act-1949, Reserve Bank of India Act-1934, Establishment of RBI, Functions and credit control system, Role of commercial banks and its functions, Banking sector reforms in India and deficiencies in Indian banking including problems accounts and Non -Performing Assets	

UNIT-III	INTRODUCTION TO INSURANCE
Introduction to insurance, Need and importance of insurance, principles of Insurance, characteristics of insurance contract. Branches of insurance and types of insurance, life insurance and its products: role of agents and brokers.	
UNIT- IV	INSURANCE BUSINESS ENVIRONMENT
Regulatory and legal framework governing the insurance sector, history of IRDAI and its functions: Business and economics of insurance need for changing mindset and latest trends.	
UNIT – V	INTRODUCTION TO RISK MANAGEMENT
Introduction to Risk, meaning and types of risk in business and individual Risk management process, methods, Risk identification and measurement, risk management techniques, non insurance methods.	
Text books	
<ol style="list-style-type: none"> 1. Mark S. Dorfman, “Risk Management and Insurance”, Pearson Publications, 9th Edition, 2009. 2. Reddy K S and Rao R N, “Banking and Insurance”, Paramount publishers, 9th Edition, 2013. 3. Varshney, P.N, “Banking Law and Practice”, Sultan Chand and Sons, 25th Revised Edition, 2014. 	
References	
<ol style="list-style-type: none"> 1. Scott E. Harringam Gregory R. Nichanus,” Risk Management and Insurance”, TMH, 2nd Edition, 2009. 2. Geroge E. Rejda, “Principles of risk Management and Insurance”, Pearson Education Publications, 9th Edition, 2009. 3. G. Koteswar, “Risk Management Insurance and Derivatives”, Himalaya Publications, 5th Edition, 2008. 	
Web References	
<ol style="list-style-type: none"> 1. http://www.ebooks directory.com 2. http://Campus guides.lib.utah.edu 	
E-Text Books	
<ol style="list-style-type: none"> 1. http://www.bookboon.com 2. http://www.freemagement.com 3. http://www.emeraldinsight.com 	

XIII. COURSE PLAN:

The course plan is meant as a guideline. Probably there may be changes.

Lecture No	Topics to be covered	Course Outcomes (COs)	Reference
1	Introduction to banking sectors	CO1	T-1 p.g. 1-5, R-2 p.g 2-10
2	History of banking business in India	CO1	T-2 p.g. 6-18, R-2 p.g. 25-26
3	Structure of Indian banking system	CO1	T-1 p.g.19 - 23, R-2 p.g. 27-32
4	Types of accounts	CO2	T-1 p.g. 19-25, R-2 p.g. 33-35
5	Advances and deposits in a bank	CO2	T-2 p.g. 98-104, R-2 p.g. 48-58
6-7	New dimensions and Products, E-banking, Mobile banking	CO2	T-1 p.g. 78-99, R-1 p.g. 85-95
8	Net banking, CRM, Cheque system and KYC system	CO2	T-2 p.g. 104-115, R-2 p.g. 99-105

Lecture No	Topics to be covered	Course Outcomes (COs)	Reference
9 - 10	Banking regulation act-1949	CO3	T-1 p.g. 116-119, R-2 p.g. 154-158
11 - 12	Reserve Bank of India Act-1934	CO3	T-2 p.g. 117-126, R-2 p.g. 155-198
13 - 14	Establishment of RBI, Functions and credit control system	CO3	T-1 p.g. 158-159, R-2 p.g. 116-125
15	Role of commercial banks and its functions	CO4	T-1 p.g. 99-135, R-2 p.g. 105-145
16	Banking sector reforms in India	CO4	T-2 p.g. 138-165, R-2 p.g. 142-153
17	Deficiencies in Indian banking including problems accounts	CO4	T-1 p.g. 168-175, R-2 p.g. 65-68
18	Non -Performing Assets	CO4	T-2 p.g. 77-85, R-2 p.g. 112-116
19	Introduction to insurance	CO5	T-1 p.g. 177-186, R-1 p.g. 117-125
20	Need and importance of insurance	CO5	T-2 p.g. 98-105, R-2 p.g. 214-225
21	Principles of Insurance	CO5	T-1 p.g. 210-230, R-2 p.g. 198-215
22	Characteristics of insurance contract	CO5	T-2 p.g. 235-258, R-2 p.g. 214-225
23	Branches of insurance	CO6	T-2 p.g. 226-234, R-1 p.g. 214-225
24	Types of insurance	CO6	T-2 p.g. 214-235, R-2 p.g. 190-215,
25	Life insurance and its products	CO6	T-1 p.g. 210-255, R-1 p.g. 98-116
26 - 27	Role of agents and brokers	CO6	T-2 p.g. 260-265, R-2 p.g. 216-235
28 - 30	Regulatory and legal framework governing the insurance sector of IRDAI	CO6	T-1 p.g. 266-278, R-2 p.g. 236-245
31 - 33	History of IRDAI	CO7	T-1 p.g. 260-277, R-1 p.g. 235-245
34 - 35	IRDAI functions	CO7	T-1 p.g. 289-297, R-1 p.g. 240-256
36	Business and economics of insurance	CO8	T-2 p.g. 315-325, R-1 p.g. 235-256
37	Insurance need for changing mindset and latest trends	CO8	T-1 p.g. 316-335, R-1 p.g. 302-325
38	Introduction to Risk	CO9	T-1 p.g. 304-308, R-2 p.g. 215-223
39	Meaning and types of risk in business	CO9	T-1 p.g. 309-325, R-1 p.g. 216-225
40	Individual Risk management process	CO9	T-1 p.g. 339-350, R-1 p.g. 230-255

Lecture No	Topics to be covered	Course Outcomes (COs)	Reference
41	Risk Management methods	CO9	T-1 p.g. 367-375, R-1 p.g. 237-248
42	Risk identification and measurement	CO10	T-2 p.g. 147-159, R-1 p.g. 253-262
43 - 44	Risk management techniques	CO10	T-1 p.g. 354-369, R-1 p.g. 295-305
45	Non insurance methods	CO10	T-1 p.g. 370-387, R-1 p.g. 308-315

XIII. GAPS IN THE SYLLABUS - TO MEET INDUSTRY / PROFESSION REQUIREMENTS:

S NO	Description	Proposed actions	Relevance with POs
1	Public, Private and Foreign sector banks in India and their role in Indian financial system	Seminars / Guest Lectures.	PO1, PO4, PO7
2	Rural and Regional Banks and Priority sector lending practices of banks and payment banks role in financial inclusion	Seminars / Guest Lectures.	PO4, PO7, PO8

Prepared by:

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