



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				
Program	MBA				
Semester	THREE				
Course Type	Professional Elective - IV				
Regulation	IARE - R18				
Course Structure	Theory			Practical	
	Lectures	Tutorials	Credits	Laboratory	Credits
	4	--	4	-	-
Course Coordinator	Dr. T Vara Lakshmi, Associate Professor				

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
MBA	CMBB17	II	Financial Management

III. MARKSDISTRIBUTION:

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 modules and each module 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 module. Each question carries 14 marks. **There could be a maximum of two sub divisions in a question.**

The expected percentage of cognitive level of the questions is broadly based on the criteria given in Table: 1.

Table 1: The expected percentage of cognitive level of questions in SEE.

Percentage of Cognitive Level	Blooms Taxonomy Level
10 %	Remember
30 %	Understand
20 %	Apply
20 %	Analyze
10 %	Evaluate
10 %	Create

Continuous Internal Assessment (CIA):

CIA is conducted for a total of 30 marks (Table 2), with 25 marks for Continuous Internal Examination (CIE), 05 marks for Alternative Assessment Tool (AAT).

Table 2: 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. COURSE OBJECTIVES:

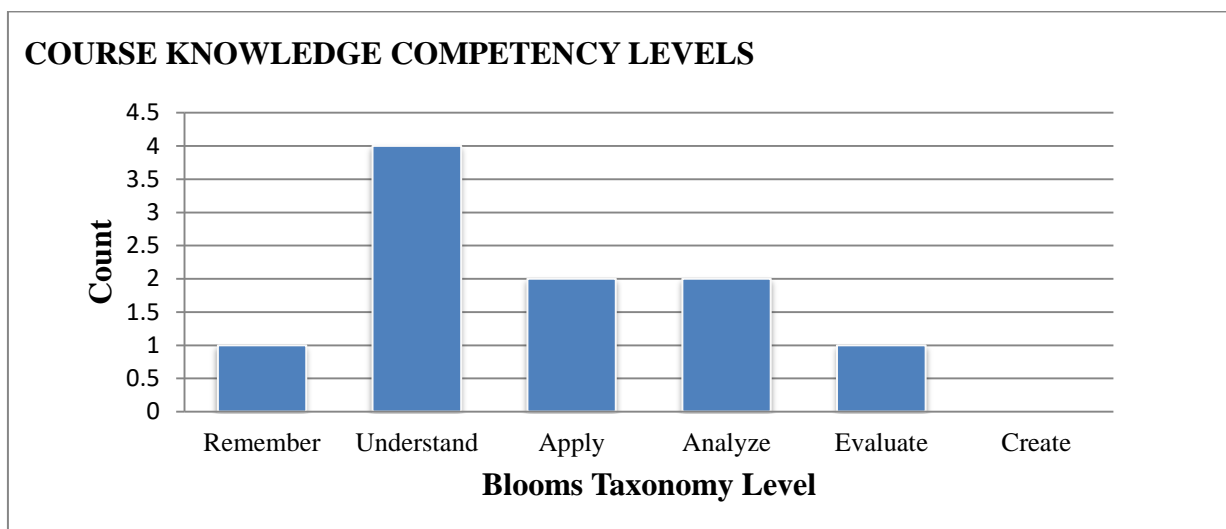
The students will try to learn:	
I	Understand about banking business in the country for the purpose of knowing the deposits of banks in the new dimensions
II	Analyze banking sector reforms and regulations for the purpose of knowing and minimizing deficiencies in Indian Banking system.
III	Evaluate the 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.

VII. COURSE OUTCOMES:

After successful completion of the course, students will be able to:		
Course Outcomes		Knowledge Level (Bloom's Taxonomy)
CO 1	Understand the Indian banking system and its origin and structure	Understand
CO 2	Discuss the various services providing by the banks and new dimension in the real world	Understand
CO 3	Demonstrate various legal aspects, purpose, functions and acts related to banking system and RBI.	Remember
CO 4	Analyze the role of commercial banks, NPAs and reforms & deficiencies in Indian banking system	Analyze
CO 5	Explain the need, importance, principles and characteristics of insurance and its contract	Understand
CO 6	Examine different products and branches of insurance and the role of agents and brokers.	Analyze
CO 7	Describe the history, legal framework, functions and governing issues of IRDAI.	Apply

CO 8	Enumerate business and economics of insurance for changing mindsets as per the latest trends.	Evaluate
CO 9	Introduce the risk, types of risks, methods and risk management process in business	Apply
CO 10	Identify the techniques and measurements for risks and non insurance methods.	Understand

COURSE KNOWLEDGE COMPETENCY LEVELS



VIII. HOW PROGRAM OUTCOMES ARE ASSESSED:

Program Outcomes		Strength	Proficiency Assessed by
PO 1	Managerial Skills: Apply knowledge of management theories and practices to solve business problems.	3	CI/AAT
PO 4	Communication Skills: Ability to understand, analyze and communicate global, economic, legal and ethical aspects of business	3	CIE/AAT
PO 7	Strategic analysis: Ability to conduct strategic analysis using theoretical and practical applications.	2	Seminar/ Conferences/ Research papers
PO 8	Technology Skills: Inculcate and develop technical skills to face the competitive world successfully.	2	Assignments/ Discussion

3 = High; 2 = Medium; 1 = Low

IX. MAPPING OF EACH CO WITH PO(s):

Course Outcomes	Program Outcomes							
	1	2	3	4	5	6	7	8
CO 1	√	-	-	-	-	-	-	-
CO 2	√	-	-	√	-	-	-	-

CO 3	-	-	-	√	-	-	√	-
CO 4	√	-	-	-	-	-	-	-
CO 5	√	-	-	√	-	-	√	-
CO 6	-	-	-	√	-	-	-	-
CO 7	-	-	-	√	-	-	-	-
CO 8	-	-	-	√	-	-	-	√
CO 9	√	-	-	-	-	-	-	-
CO 10	-	-	-	-	-	-	√	√

X. JUSTIFICATIONS FOR CO – (PO) MAPPING –DIRECT

Course Outcomes	POs / PSOs	Justification for mapping (Students will be able to)	No. of key competencies
CO 1	PO 1	Recollect (knowledge) the basic concept of banking system and to an extent appreciate (understand) the importance of financial system to promote the organized economy system to improve the financial literacy.	2
CO 2	PO 1	Describe (knowledge) the various services rendering by the customers from the banks and new managerial developments in the banking sectors in the context of managerial decisions.	1
	PO 4	Interpret (knowledge) about primary and secondary services of the banks to communicate effectively with the customers to contribute to the economy development of the country.	2
CO 3	PO 4	Comprehend and write effective reports on the various legal aspects of banking system by developing good communicational aspects	2
	PO 7	Recognizing (knowledge) the contribution of banks which affects economy stability of country (application) by its functional strategic principles and methodology	2
CO 4	PO 1	Identify (knowledge) the role of commercial banks and their deficiencies and reforms in managing the stable financial system.	2
CO 5	PO 1	Apply (knowledge) the managerial principles and characteristics of insurance sectors and its importance of managing the economy conditions of the country.	2
	PO 4	Focus on working of insurance organizations in the formal economy world with its financial communicational abilities.	1
	PO 7	Recognize the importance of insurance with implementable funding strategies of the insurance customers.	3
CO 6	PO 4	Construct the managerial models of insurance agents and brokers in communicating with the customers to sell their products.	2

CO 7	PO4	Derive the existence possibility of present insurance products in meeting the needs and wants of the investors with its legal and ethical business aspects of IRDAI.	2
CO 8	PO 4	Understanding the business and economic conditions of the insurance products to communicate the changing mindsets of the global tastes and preferences.	2
	PO 8	Outline the contribution of technological aspects in the insurance trends to meet the desires of the investors.	2
CO 9	PO 1	Examine the risk and its types in the risk management processes while implementing the managerial decisions of financial businesses.	2
CO 10	PO 7	Explain the qualitative and quantitative measures for risks in non insurance methods with appropriate implantable strategies.	3
	PO 8	Extend the concept of risk with identified technological techniques in the insurance and non insurance methods	1

XI. TOTAL COUNT OF KEY COMPETENCIES FOR CO – (PO) MAPPING

Course Outcomes	Program Outcomes / No. of Key Competencies Matched							
	1	2	3	4	5	6	7	8
	2	3	3	3	5	3	4	2
CO 1	2	-	-	-	-	-	-	-
CO 2	1	-	-	2	-	-	-	-
CO 3	-	-	-	2	-	-	2	-
CO 4	2	-	-	-	-	-	-	-
CO 5	2	-	-	1	-	-	3	-
CO 6	-	-	-	2	-	-	-	-
CO 7	-	-	-	2	-	-	-	-
CO 8	-	-	-	2	-	-	-	2
CO 9	2	-	-	-	-	-	-	-
CO 10	-	-	-	-	-	-	3	1

XII. PERCENTAGE OF KEY COMPETENCIES FOR CO – (PO):

Course Outcomes	Program Outcomes / No. of key competencies							
	1	2	3	4	5	6	7	8
	2	3	3	3	5	3	4	2
CO 1	100.00	-	-	-	-	-	-	-

CO 2	50.00	-	-	66.66	-	-	-	-
CO 3	-	-	-	66.66	-	-	50.00	-
CO 4	100.00	-	-	-	-	-	-	-
CO 5	100.00	-	-	33.33	-	-	75.00	-
CO 6	-	-	-	66.66	-	-	-	-
CO 7	-	-	-	66.66	-	-	-	-
CO 8	-	-	-	66.66	-	-	-	100.00
CO 9	100.00	-	-	-	-	-	-	-
CO 10	-	-	-	-	-	-	75.00	50.00

XIII. COURSE ARTICULATION MATRIX (PO MAPPING)

COs and POs and COs and PSOs on the scale of 0 to 3, **0** being **no correlation**, **1** being the **low correlation**, **2** being **medium correlation** and **3** being **high correlation**.

0 – $0 \leq C \leq 5\%$ –No correlation;

2 – $40\% < C < 60\%$ –Moderate.

1 – $5 < C \leq 40\%$ – Low/ Slight;

3 – $60\% \leq C < 100\%$ – Substantial /High

Course Outcomes	Program Outcomes							
	2	3	3	3	5	3	4	2
CO 1	3	-	-	-	-	-	-	-
CO 2	2	-	-	3	-	-	-	-
CO 3	-	-	-	3	-	-	2	-
CO 4	3	-	-	-	-	-	-	-
CO 5	3	-	-	1	-	-	3	-
CO 6	-	-	-	3	-	-	-	-
CO 7	-	-	-	3	-	-	-	-
CO 8	-	-	-	3	-	-	-	3
CO 9	3	-	-	-	-	-	-	-
CO 10	-	-	-	-	-	-	3	2
TOTAL	14			16			8	5
AVERAGE	2.8			2.66			2.66	2.5

XIV. ASSESSMENT METHODOLOGY - DIRECT

CIE Exams	PO 1,PO 4, PO 7, PO 8	SEE Exams	PO 1,PO 4, PO 7, PO 8	Assignments	PO 1,PO 4, PO 7, PO 8	Seminars	PO 4,PO8
Laboratory Practices	-	Student Viva	-	Mini Project	-	Certification	-
Term Paper	PO 1, PO 7						

XV. ASSESSMENT METHODOLOGY - INDIRECT

✓	Early Semester Feedback	✓	End Semester OBE Feedback
✗	Assessment of Mini Projects by Experts		

XVI. 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.	
Textbooks:	
<ol style="list-style-type: none"> 1. 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. 	
Reference Books:	
<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. Koteshwar, "Risk Management Insurance and Derivatives", Himalaya Publications, 5th Edition, 2008. 	

XVII. COURSE PLAN:

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

Lecture No	Topics to be Covered	COs	Reference
1	Introduction to banking sectors	CO 1	T-1, R-2
2	History of banking business in India	CO 1	T-2, R-2
3	Structure of Indian banking system	CO 1	T-1, R-2
4	Types of accounts	CO 2	T-1, R-2
5	Advances and deposits in a bank	CO 2	T-2, R-2
6-7	New dimensions and Products, E-banking, Mobile banking	CO 2	T-1, R-1
8	Net banking, CRM, Cheque system and KYC system	CO 2	T-2, R-2
9 - 10	Banking regulation act-1949	CO 3	T-1, R-2
11 - 12	Reserve Bank of India Act-1934	CO 3	T-2, R-2
13 - 14	Establishment of RBI, Functions and credit control system	CO 3	T-1, R-2
15	Role of commercial banks and its functions	CO 4	T-1, R-2
16	Banking sector reforms in India	CO 4	T-2, R-2
17	Deficiencies in Indian banking including problems accounts	CO 4	T-1, R-2
18	Non -Performing Assets	CO 4	T-2, R-2
19	Introduction to insurance	CO 5	T-1, R-1
20	Need and importance of insurance	CO 5	T-2, R-2
21	Principles of Insurance	CO 5	T-1, R-2
22	Characteristics of insurance contract	CO 5	T-2, R-2
23	Branches of insurance	CO 6	T-2, R-1
24	Types of insurance	CO 6	T-2, R-2
25	Life insurance and its products	CO 6	T-1, R-1
26 - 27	Role of agents and brokers	CO 6	T-2, R-2
28 - 30	Regulatory and legal framework governing the insurance sector of IRDAI	CO 6	T-1, R-2
31 - 33	History of IRDAI	CO 7	T-1, R-1
34 - 35	IRDAI functions	CO 7	T-1, R-1
36	Business and economics of insurance	CO 8	T-2, R-1
37	Insurance need for changing mindset and latest trends	CO 8	T-1, R-1

Lecture No	Topics to be Covered	COs	Reference
38	Introduction to Risk	CO 9	T-1, R-2
39	Meaning and types of risk in business	CO 9	T-1, R-1
40	Individual Risk management process	CO 9	T-1, R-1
41	Risk Management methods	CO 9	T-1, R-1
42	Risk identification and measurement	CO 10	T-2, R-1
43 - 44	Risk management techniques	CO 10	T-1, R-1
45	Non insurance methods	CO 10	T-1, R-1

Prepared By:

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