



INSTITUTE OF AERONAUTICAL ENGINEERING

(Autonomous)

Dundigal - 500 043, Hyderabad, Telangana

COURSE CONTENT

BANKING, INSURANCE AND RISK MANAGEMENT								
IV Semester: MBA								
Course Code	Category	Hours / Week			Credits	Maximum Marks		
CMBE53	Elective	L	T	P	C	CIA	SEE	Total
		4	-	-	4	40	60	100
Contact Classes: 45	Tutorial Classes: Nil	Practical Classes: Nil			Total Classes: 45			
Prerequisite: Financial Management								
SDGs Mapped: SDG 8 (Decent Work & Economic Growth), SDG 9 (Industry, Innovation and Infrastructure)								

I. COURSE OVERVIEW:

Banking, insurance, and risk management are critical components of the financial system. These areas involve the management and assessment of financial risk and the provision of financial services to individuals and businesses. This course focuses on the objectives and importance of managing financial risk, including credit risk, market risk, and operational risk within organizations and the management of financial risk across markets.

II. OBJECTIVES:

The students will try to learn:

- I. Banking business in the country to know the new dimensions of banking system in India.
- II. Banking sector reforms and regulations to understand and minimize deficiencies in Indian Banking system.
- III. Business and economics of insurance for changing mind-set and implement latest trends in Insurance business.
- IV. Reforms in the insurance sector for better promotion of insurance services.
- V. Risk management techniques and non-insurance methods to explore diversified investment opportunities.

III. COURSE OUTCOMES:

At the end of the course students should be able to:

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| CO1 | Familiarize the banking system to enumerate financial services providing in the real world. |
| CO2 | Analyze various reforms & deficiencies in Indian banking system to promote legal and ethical financial system. |
| CO3 | Promote the principles and characteristics of insurance to encourage insurance contracts. |
| CO4 | Examine various insurance products and the role of agents and brokers to improve insurance mechanism. |
| CO5 | Describe regulatory frameworks that govern the insurance industries to ensure consumer protection. |
| CO6 | Identify the techniques and measurements of risks to communicate ethical financial products. |

IV. COURSE CONTENT:

MODULE-I- INTRODUCTION TO BANKING BUSINESS: (08)

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.

MODULE -II- BANKING REFORMS AND REGULATIONS: (10)

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.

MODULE -III-INTRODUCTION TO INSURANCE -Classes: (09)

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.

MODULE -IV-INSURANCE BUSINESS ENVIRONMENT: (10)

Regulatory and legal frame work governing the insurance sector, history of IRDA and its functions: Business and economics of insurance, need for changing mindset and latest trends.

MODULE -V-INTRODUCTION TO RISK MANAGEMENT: (08)

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.

V. TEXT BOOKS:

1. Scott Harrington Gregory Niehaus “Risk Management and Insurance “, in July 2017.
2. Mohan Prakash N.R. “Banking, Risk & Insurance Management “in 2016.
3. Prof. Roy “Banking and risk management “in 2016.
4. R.K.Mishra, Inder Sekhar Yadav “Risk Management in Banking, Insurance and Financial Services “, in 2015.

VI. REFERENCE BOOKS:

1. Scott E. Harrington Gregory R. Niehaus,” Risk Management and Insurance”, TMH, 2nd Edition, 2009.
2. George 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.

VII. WEB REFERENCES:

1. <http://www.ebooksdirectory.com>
2. <http://Campusguides.lib.utah.edu>

VIII. E-TEXT BOOKS:

1. <http://www.bookboon.com>
2. <http://www.freemagagement.com>
3. <http://www.emeraldinsight.com>
4. https://www.amazon.in/dp/B005TGXITA/ref=cm_sw_r_apan_glt_545V2ND0FSEN42JB5BAP.
5. <https://www.kobo.com/us/en/ebook/risk-management-and-regulation-in-banking>.
6. <https://www.kobo.com/us/en/ebook/risk-management-and-financial-institutions-5>.