

MANGALORE UNIVERSITY
DEPARTMENT OF BUSINESS ADMINISTRATION
MASTER OF BUSINESS ADMINISTRATION (MBA)

MBAS 513: PRINCIPLES AND PRACTICE OF BANKING AND INSURANCE

Workload : 04 hours per week

Examination : 03 hours - 70 marks

Objectives : This course aims at introducing the principles and practices follow by banking and insurance sector to the students.

Pedagogy : Lectures, assignments, practical exercises, discussions, seminars

Chapter 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.

Chapter 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.

Chapter 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.

Chapter 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.

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

Chapter 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.

Chapter 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.

Chapter 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.

References:

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.

