

**FOR 2024-25**

**PG DIPLOMA IN BANKING AND INSURANCE**

**(One Year Diploma)**

**This PG Diploma covers an array of topics ranging from conceptualization to practical exposure of banking and insurance services. Being graduate is not sufficient to get job in banking and insurance sectors. Job seekers with graduation degree do not have the caliber to serve the above mentioned sectors. This PG Diploma will bridge the gap between job providers and job seekers in the said area.**

**Eligibility:**

Graduation with 50% marks in aggregate or equivalent degree

**No. of seats:** 20

**Semesters:** 2 Semesters

**Fee:** Rs. 10,000 per semester

**SEMESTER –I**

- REGULATORY FRAMEWORK OF BANKING AND INSURANCE
- PRINCIPLES AND PRACTICE OF BANKING
- PRINCIPLES OF INSURANCE
- MANAGEMENT OF BANKING SERVICE OPERATIONS

**SEMESTER -II**

- LIFE AND GENERAL INSURANCE
- MARKETING OF FINANCIAL SERVICES
- E-BANKING
- SEMINAR AND 2-WEEK PRACTICAL TRAINING

**REGULATORY FRAMEWORK OF BANKING AND INSURANCE**

Learning Objectives: The course has been designed to develop understanding of basic requirements of various legal & regulatory aspects of Banking & Insurance.

**Unit-I**

RBI Act 1934, Functions of RBI, Tools for Monetary Control-CRR, SLR, Bank Rate, REPO rate, Reverse REPO Rate, Banking Regulation Act 1949, Financial Sector Reforms in India, Principles of Capital Adequacy

**Unit-II**

Insurance as a Contract: Offer & Acceptance, Competency of parties, Consideration, Lawful Object, Free Consent, Introduction to Doctrine of Insurance and their legal implications. Insurance Act, 1938 with amendments, General Insurance Business (Nationalization) Act, 1972, Tariff Advisory Committee & its role. Main Provisions of IRDA, Latest IRDA Guidelines, Licensing of Insurance Agents. Marketing Techniques for Insurance Products.

***Suggested Readings:***

- 1. National Insurance Academy: Legal and Regulatory Aspects of Insurance, Cengage Learning.*
- 2. J.N. Jain and R.K. Jain: Modern Banking and Insurance, Deep and Deep Publications.*
- 3. R.K. Mittal, A.K. Sahni and Sanjay Dhingra: Emerging Trends in the Banking Sector, Macmillan.*

4. *M.N. Mishra and S.B. Mishra: Insurance - Principles and Practice, Sultan Chand and Sons.*
5. *James L Athearn: Risk and Insurance, West Publications.*
6. *Arundeeep Singh and N.S. Toor: Legal and Regulatory Aspects of Banking, Skylark Publications.*
7. *John C. Hull: Risk Management and Financial Institutions, Pearson Education.*
8. *T.M.C. Asser: Legal Aspects of Regulatory Treatment of Banks in Distress*

## **PRINCIPLES AND PRACTICE OF BANKING**

**Learning Objectives:** To familiarize students with the basic principles of Banking sector and throw a light on the changing scenario of banking principles, practices and governance and discuss the perspectives in the current banking environment.

### **UNIT-I**

Introduction to Indian Banking System: Financial Market and its segmentation, Financial System overview, Recent developments in Indian Financial System, Introduction to Equity and Debt markets, Commercial & Co-operative Banks: Structure of Commercial Banks, Private Sector Banks, Public Sector Banks, Foreign Banks, Categories & Features of Co-operative Banks, Introduction to Regional Rural Banks, Banker-Customer Relationship: Debtor-Creditor Relationship, Bank as a Trustee, Anti-Money laundering, Deposit Products or Services, Payment and Collection of cheques and other negotiable instruments. Banking Sectors in India: Types of Banking Sectors, Introduction to Retail Banking, Retail Banking Products, Introduction to Wholesale Banking & International Banking, Wholesale Banking Products, Financial Intermediaries.

### **UNIT-II**

Accounts: Types of Customer Accounts, Procedure for opening an account, Risks in account opening and Closure. Loans and Advances: Principles of lending, Different types of loans, Credit appraisal techniques, Credit management and credit monitoring. NPA management, Bank Assurance: Benefits for banks and insurance companies, Mutual funds, their types, Rural Banking: An introduction, Rural Banking System in India, Reserve Bank of India and its policy, functions of Rural Banks

### ***Suggested Readings:***

1. *J.N. Jain & R.K. Jain: Modern Banking and Insurance, Regal Publications*
2. *A. Ranga Reddy, C. Rangarajan: Rural Banking and Overdues Management, Mittal Publications*
3. *Madhu Vij: Management of Financial Institutions in India, Anmol Publications.*
4. *U.C. Patnaik: Rural Banking in India, Anmol Publications.*
5. *Vasanth Desai: Nature and Problems of Commercial Banking in India, Himalaya Publishing House.*
6. *V.K. Gupta: Management of Financial Institutions in India, Radha Publications*
7. *G. Ramesh Babu: Management of Financial Institutions in India, Craft Publishing Company.*
8. *Vasanth Desai: Indian Banking, Nature and Problems, Himalaya Publications House.*

## PRINCIPLES OF INSURANCE

**Learning Objectives:** The course has been designed to develop understanding of basic concepts of insurance, to impart knowledge of life and non-life insurance including reinsurance management to students. It also aims to improve the ability to evaluate the alternative for the purpose of decision making and to deepen insights into practical applications of insurance and risk management techniques in a dynamic business environment.

### Unit-I

**Introduction of Insurance:** Concept and nature of insurance, Purpose and need of insurance, working of insurance, insurance as a social security tool, insurance and economic development, Segments of insurance – life insurance, non-life insurance, history of life insurance, history of non-life insurance, Recent trends in Insurance in India, Role of insurance in personal financial planning: Insurance as an investment tool. Essentials of Commercial Contracts: Offer & Acceptance, Features of offer & acceptance. Consideration: Legal capacity to contract, Consensus (Same Mind), Legality of object, features to be discussed in relations with insurance.

### Unit-II

Principles of Life Insurance, Life Insurance Products, Introduction and classification of products, Traditional insurance products - Term, Endowment, Whole life, Various Life Insurance Policies of different Insurance Companies. ULIPs: Linked Life Insurance Products, Types, recent trends, ULIP as a tool for financial planning. Annuity Policy: Introduction, Basis of Annuity Income, Classification of Annuities, Uses of Annuity, Limitation of Annuity, Principles of General Insurance, General Insurance products: Introduction and Classification of Products. Reinsurance: Characteristics, Types, Growth of reinsurance in India and Global Players in reinsurance, Players in life and non-life insurance sector

### ***Suggested Readings:***

1. *M N Mishra, S B Mishra: Insurance Principles & Practice, Sultan Chand and Sons .*
2. *James L Athearn: Risk and Insurance, West Publication Co.*
3. *Nalini Prava Tripathy and Prabir Pal: Insurance Theory and Practice, Prentice Hall India.*
4. *PAS Mani: Life Insurance in India, Western Printers and Publication.*
5. *Poonam Aggarwal and Mamta Ratti: Banking and Insurance Services, Kalyani Publishers*
6. *George E. Rajda: Principles of Risk Management and Insurance, Pearson Education.*

## MANAGEMENT OF BANKING SERVICE OPERATIONS

Learning Objectives: The focus of the course is directed towards the various operations performed in banks and the different ways of managing risk faced by banks giving knowledge about the use of technology in banking.

### UNIT-I

Introduction to Banking Operations: The Changing Nature of Banking Operations, Trends, Issues and Challenges. Deposit mobilization by banks: Volume and trends, know your customer guidelines, priority sector lending, Financial Inclusion and its current perspective, Services Design and Delivery Strategies in Banks: Products and Services Offered by Banks, Response of Banks with Newer Services & Delivery Mechanisms and Delivery Strategies in a Bank. Information technology in Indian Banks: Key issues and Challenges.

### UNIT-II

Management of funds by commercial banks: Liquidity Management, Management of capital funds, Assets Liabilities Management, Risk Management, Customer relationship management: CRM, Importance, Need of Customer Relationship Management, Stages in Development of CRM, Gap analysis, Models of CRM, Aspects of Managing CRM, A generic model providing a single unified view of CRM, Relevance in banking.

#### ***Suggested Readings:***

1. *Vasant C Joshi and Vinay V. Joshi: Managing Indian Banks: Challenging Ahead, Sage Publications.*
2. *M.L. Tannon: Tannon's Banking Law and Practice in India, Lexisnexis Butterworths.*
3. *R K Mittal, A K Saini and Sanjay Dhingra: Emerging Trends in the Banking Sector, Macmillan.*
4. *Jyotsna Sethi and Nishwan Bhatia: Elements of Banking, Prentice Hall India.*
5. *S. Padmalatha and Justin Paul: Management of Banking and Financial Services, Pearson Education.*
6. *K.P.M. Sundaram and P.N. Varshney: Banking Theory Law and Practice, Sultan Chand and Sons.*
7. *M.N. Gopinath: Banking Principles and Operations, Snowwhite Publications.*
8. *Poonam Aggarwal and Mamta Ratti: Banking and Insurance Services, Kalyani Publishers*

## **LIFE AND GENERAL INSURANCE**

**Learning Objectives:** The course aims at providing in-depth knowledge of various aspects of Life & General Insurance including premium computation, underwriting, computation of benefits and knowledge of claims, nomination

### **UNIT-I**

Computation of Premium: Introduction, Age Factor, Factors of Calculating the Premium, Loadings, Basic elements and factors in computation of Life Insurance premiums, Extra Premium. Underwriting Procedure: Classification of risk, Moral hazard, Financial underwriting, Underwriting practices followed by private and public insurers in India. Computation of Benefits: Introduction, Grace period, Lapse and non-forfeiture options - Surrender Value, Guaranteed Surrender Value, Paid Up Value, Insurance Documents: Introduction, Documents, Prospectus, Proposal Form, First Premium Receipt, Policy Document, Endorsement, Renewal Notice, Bonus Notice. Claims: Introduction, Maturity Claim, Death Claims. Nomination and Assignment , LIC, ICICI Prudential Life Insurance Company, HDFC Life Insurance Company and other Life insurance Companies

### **UNIT-II**

Fire Insurance: Introduction, Features and conditions, Scope of fire insurance, procedure for taking fire insurance policy Coverage, Underwriting procedure, procedure of settlement of claims, Health Insurance: Introduction, Features, Types of health Insurance, Coverage, Underwriting procedure, Claim procedure, Vehicle Insurance: Introduction, Features, types of motor insurance policies, coverage, procedure for settlement of claim in case of theft of vehicle and in case of third party liability policy, Underwriting procedure, Marine Insurance: introduction, features, scope, types of marine insurance policies, marine insurance policy conditions, procedure for settlement of total loss claims in marine insurance, GIC, Tata AIG General Insurance Company, HDFC ERGO general Insurance Company, ICICI Lombard General Insurance, New India, Bajaj Allianz and other general Insurance Companies

### ***Suggested Readings:***

- 1. Dheeraj Razdan: Insurance Principles, Application and Practices, Cyber Tech Publication.*
- 2. Neelam Gulati: Principles of Insurance Management, Excel Books*
- 3. Mark S. Dorfman: Introduction to Risk Management & Insurance, Pearson Education.*
- 4. Rao M Gangadhara Sivaramakrishna Sheela (Eds.): New Deal in Insurance, Excel Books.*
- 5. Dhiraj Razdan: Modern Insurance regulations and its supervision, Cyber Tech Publication.*
- 6. Emmett J. Vaughan & Theresa Vaughan: Fundamentals of Risk and Insurance, Wiley India.*
- 7. P.S. Palande, R.S. Shah and M L Lunawat: Insurance in India - Changing Polices and Emerging Opportunities, Sag Publications.*
- 8. K. C. Mishra and G. E. Thomas: General Insurance - Principles and Practices, Cengage Learning.*

## **E-BANKING**

### **UNIT-I**

Role of Technology in Marketing of Financial Services, Using websites for Service Delivery, Emerging trends in Banking, Introduction to e-Banking: Origin of e-Banking, Popular products and services in electronic banking: Internet banking, Mobile banking and other sources, Significance, latest trends in e-banking, Constraints, Market assessment for e-banking services, e-banking: a customer's perspective.

### **UNIT-II**

Electronic payment systems in Banks: Various payment systems: ECS (Debit & Credit) EFT, NEFT, RTGS, e-fund transfer system, Communication Network, Security Considerations in e-Banking: The Need for Security, Concerns and Risks in e-Banking, Sources and Types of Risks, Causes of Risks, Disaster Recovery and Contingency Plan, Strategies for Risk Management, Effective Management of Risk.

#### ***Suggested readings:***

- *Information Technology, data Communications and Electronic banking by Indian Institute of Banking and Finance*
- *Digital banking by Indian Institute of Banking and Finance, Taxmann*
- *Internet Banking by Dr. Ashok Kumar Singh, Calvin Publication*

## MARKETING OF FINANCIAL SERVICES

Learning Objectives: The objective of the course is to acquaint the students with the various aspects of Marketing of Financial Services.

### UNIT-I

Concept of marketing in financial services sector: Critical aspects of Marketing of Financial Services, Marketing Mix, Market Segmentation. Concept of Relationship Marketing: Relationship marketing of Financial Services, Types of relationships. Consumer Behaviour in Financial Services: Understanding Consumer Needs, Defining goals and objectives, Purchase process of Services, Components of customer expectations, Designing the Communication Mix for Financial Services: Various communication challenges, Educational and Promotional objectives, Advertising and communication – advertising as a communication process, media for advertisements

### UNIT-II

Service Environment: Planning a Service Environment, Selection of Environmental design elements, Impact of Service Environment on Customers. Customer Feedback: Aspects of Customer Feedback, Importance, Impact on Retention, Building a customer feedback system, Ethics in Marketing: Ethical issues in the marketing of financial services, Ethics in relation to the individual and society as a whole, Unethical behaviour in financial services marketing: fraud, misrepresentation, misselling, misleading information, discrimination.

#### ***Suggested Readings:***

1. N. Waite and C. T. Ennew: *Financial Services Marketing - An International Guide to Principles and Practice*, Elsevier.
2. P. Kotler and G. Armstrong: *Principles of Marketing*, Pearson Prentice-Hall of India.
3. S. M. Jha: *Services Marketing*, Himalaya Publishing House.
4. A. Meidan: *Marketing Financial Services*, MacMillan.
5. Hooman Estelami: *Marketing Financial Services*, Dog Ear Publications.
6. Deepak Singh and K.S. Thakur: *Marketing of Financial Services*, RBSA Publications.
7. V.K. Gupta: *Marketing of Financial Services*, Mohit Publications.
8. Sangeeta Arora: *Marketing of Financial Services*, Deep & Deep Publications.