

DISCIPLINE SPECIFIC CORE COURSE – 16
REGULATORY FRAMEWORK FOR BANKING AND INSURANCE

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/Practice		
Regulatory Framework for Banking and Insurance	4	3	1	0	NIL	NIL

Learning Objectives:

The objective of this paper is to introduce students to role and functioning of Central Bank of India, non-performing assets and different rules applicable, Insurance act and guidelines framed by IRDA. It explains the role of RBI and IRDA. Various conceptual issues related to banking

the role of regulatory bodies, mechanism of banking, operations of insurance companies are discussed elaborately.

Learning Outcomes:

After completion of the course, learners will be able to:

1. Understand the concept of Central Bank, its role, functions, structure and working.
2. Understand the concept of Insurance, the agencies involved in Insurance.
3. Know and understand the Non-Performing Assets, its types and rules related to it.
4. Know and understand the role of Insurance Regulatory Development Agency (IRDA).

UNIT—I: Central Bank of India and its Function (12 Hours)

The Reserve Bank of India Act 1934; The Banking Regulation Act, 1949; Setting up of a new bank, Branch licensing, Branch authorization policy for commercial banks and New Bank Licensing Policy, 2013. Objectives and Functions of RBI; Tools of Monetary Control; Regulatory Restrictions on Lending, Power of RBI to Issue Directions, Regulation of Interest Rate; Regulation of Payment Systems.

Unit—II: Non Performing Assets & Regulation (9 Hours)

Banking sector reforms and NPAs, Importance of banking reforms, NPAs assets classification, NPAs accounts, management of NPAs. Internet Banking Guidelines; Regulation of Money Market Instruments; Banking Ombudsman; Reserve Funds; Maintenance of CRR, SLR; Assets in India.

Unit—III: Insurance Act and Guidelines (12 Hours)

The Insurance Act, 1938 – Insurance Regulatory and Development Act, 1999 – Life Insurance Corporation Act, 1956 – General Insurance Business (Nationalization) Act, 1972. Insurance Law-need. Indian Insurance Industry, The Insurance Regulatory and Development Authority Act, 1999 (as amended). The Regulatory Body-IRDA- functions, powers, and role. Self-regulation by insurers.

Unit—IV: Insurance and its Grievance Redressal System (12 Hours)

Regulation- regarding registration of insurers, need for capital in insurance-capital adequacy, and solvency requirements. Risk based capital for insurers. Regulation concerning investment of funds and protection of policyholders' interest. Redressal of grievance.

Essential Readings

1. Agarwal, O. P. (2014). *International Banking and Finance* (1st ed.). Himalaya, Publishing House.
2. IIBF. (2019). *Principles & practices of Banking*. Macmillan India Limited.
3. IIBF. (2021). *Legal & Regulatory Aspects of Banking*. Macmillan India Limited.
4. Tannan, M. L. (2012). *Tannan's Banking Law and Practice in India*. LexisNexis.
5. Cranston, R. (2002). *Principles of Banking Law*. Oxford.
6. Gomez, C. (2011). *Banking and Finance: Theory, Law and Practice*. PHI Learning Private Limited.

Additional Readings

1. IIBF. (2020). *Accounting & Finance for Bankers*. Macmillan India Limited.
2. Rao, P. M. & Hyderabad R. L. (2002). *Financial Services: Text, Cases and Strategies*. Deep & Deep Publications Pvt. Ltd.
3. IIBF. (2010). *General Bank Management*. Macmillan India Limited.
4. Kothari, V. (2022). *Tannan's Banking Law and Practice in India*. LexisNexis.

DISCIPLINE SPECIFIC CORE COURSE – 17 Non-Life Insurance I (Fire, Marine & Motor)

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/Practice		
Non-Life Insurance I (Fire, Marine & Motor) DSC-17	4	3	0	1	NIL	NIL

Learning Objectives:

The course has the objective of making learners familiar with the role of various non-life insurance in risk management.

Learning Outcome

1. To introduce the concept of risk and ways to mitigate it.
2. Make learners familiar with Fire, Marine and Motor Insurance.

UNIT 1: Introduction (12 hours)

Definition and Structure of Non-Life Insurance, Purpose and need of Non-Life Insurance, The Overall Market Size of Non-Life Insurance Sector in India, Major Non-Life Insurance Companies in India; Emerging Trends in Non-Life Insurance: Customer Centricity as Driver of Innovation, Increase in Adoption of the Internet Channel, Social Media to Increase Market Penetration.

UNIT 2: Fire Insurance (12 hours)

Fire Insurance - Contract- meaning and salient features, Need of Fire Insurance, Standard Fire and Special Perils Policy-recital, coverage, exclusions, conditions, and add-on-covers. Special Policies- reinstatement, Declaration, and floater. Fire Insurance - SBI and ICICI Plans - Introduction, Forms and Procedures, Standard Fire and Special Perils Policy, Tariff system and special policies.

Unit 3: Marine Insurance (9 hours)

Marine Insurance- Meaning and nature of Contract, Need of Marine Insurance, Hull Insurance, Marine (Cargo) Insurance – Inland Vessels and Sailing Vessels, Postal Consignment, Air Consignment, Types of Losses, Losses covered under Marine Insurance, Types of Marine Policies, and Specific Policy.

Unit 4: Motor Insurance (12 hours)

Motor Vehicles Act, 1988- Overview, Motor Insurance- Introduction and Need, Types of policy- Third party Liability, comprehensive-contents- schedule, own damage, third party liability, and owner- driver cover, exceptions, conditions, deductibles, no claim bonus. Pricing and discounts. Add-ons. Claim settlement for own damage.

Practical component (30 Hours)

Students need to perform a demo for online purchase of Car insurance and Two-wheeler insurance, Calculation of premium amount for Marine Insurance. A detail study of Fire Insurance policy of SBI or ICICI.

Essential Readings

1. George, E. Rejda, Principles of Risk Management and Insurance, Pearson Education.

2. Dorfman, Marks S., Introduction to Risk Management and Insurance, Pearson.
3. Gupta. P.K, Insurance and Risk Management, Himalaya Publishing House.
4. Kumar, Sunil, Essential of Insurance and Risk Management, JSR Publishers, New Delhi.
5. Mishra, M. N., Principles and Practices of Insurance, S. Chand and Sons.
6. Farooqui, A, Principles and Practices of Insurance, Wisdom Publications.

DISCIPLINE SPECIFIC CORE COURSE – 18
Non-Life Insurance II (Health, Accidents, Rural & Miscellaneous)

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/Practice		
Non-Life Insurance II (Health, Accidents, Rural & Miscellaneous) DSC-18	4	3	1	0	NIL	NIL

Learning Objectives:

This paper will provide knowledge to students with the various forms of non-life insurance and their practical applications in everyday life. And how these insurance help to mitigate the risk.

Learning Outcomes:

1. The student will be acquainted with Health Insurance, its benefits and usage.
2. To understand how different risk can be mitigated using these insurance services.
3. Companies providing these Insurance and their procedures.
4. Regulatory bodies governing Insurance Sector.

UNIT 1: Health Insurance **(12 hours)**

Health Insurance- meaning and need. Salient features. Indian scenario regarding health insurance. Basic health policy- scope and renewal. Senior citizen insurance, Critical Illness cover and add-ons. Life insurers policies vs. General/ Health insurers policies. Grace Days. Claim

settlement- cashless vs. reimbursement, procedure and documentation. Role of TPA's in claim settlement. Health Insurance Regulations, 2013. Relevant companies in this field.

UNIT 2: Accident and Travel Insurance **(12 hours)**

Personal Accident and Travel Insurance- Introduction and need. Automobile Insurance. Personal Accident Policy- special features, accident, coverage, benefits, provisos, exclusions, conditions, bonus and extensions. Travel Insurance domestic and overseas policies. Claim procedure. Relevant companies in this field.

UNIT 3: Home Insurance **(9 hours)**

Home Insurance: Meaning and Importance. Coverage: Structure and contents. Perils covered and exclusions. Methods of determining sum assured. Utility of reinstatement method. Terms and conditions. Claim procedure. Relevant companies in this field.

UNIT 4: RURAL INSURANCE **(12 hours)**

Overview of Indian Rural Insurance Market - Need of rural Insurance, Major Types of Rural Insurance Policies; Challenges and Opportunities in Rural Insurance market, IRDA Regulations in Rural Insurance; Crop Insurance; Cattle Insurance and Insurance of other Livestock; Poultry Insurance; Claim and settlement, Companies offering Rural Insurance in India.

Essential Readings:

1. K. C. Mishra & C. S. Kumar, General Insurance- Principles and Practice, (2009), Gengage Learning India Pvt. Ltd.
2. Indian Institute of Banking & Finance, Mumbai, Insurance Product, Second Ed. (2007)
3. Murthy, K. S. N. & K. V. S. Sharma, Modern Law of Insurance in India, Fourth Ed. (2002), Butterworths.

Additional Readings:

1. Sharda Kumaraswamy & V. Kumaraswamy, Corporate Insurance, (2005), Tata McGraw- Hill Publishing Co. Ltd... New Delhi.
2. Publications of the Insurance Institute of India, Mumbai
3. IC- 34-General Insurance
4. IC- 57-Fire and Consequential Loss Insurance
5. IC- 78- Miscellaneous Insurance.