

# **SYLLABUS**

## **POST GRADUATE DIPLOMA IN BANKING AND INSURANCE (PGDBI)**



**DEPARTMENT OF COMMERCE  
RAJIV GANDHI UNIVERSITY  
RONO-HILLS: DOIMUKH  
(W.E.F-2016-17)**

# POST GRADUATE DIPLOMA IN BANKING AND INSURANCE (PGDBI)

## Course Structure with Effect from 2016-17

### PREFACE

Department of Commerce, Rajiv Gandhi University, Rono-Hills, Doimukh introduced Post Graduate Diploma in Banking and Insurance (PGDBI) from the academic year 2013-14. In view of growing need and demands for professionals in banking and insurance sector, the curriculum of the course has been designed and framed to equip and make the students fit and getting placement in banking and insurance companies. The course structure altogether comprises of eight (8) papers including project report writing-cum-internship. The course is to be completed within a span of two semesters in one year. The BPGS meeting was held on **1<sup>st</sup> October 2016** to revise the syllabus and the following changes have been made in the meeting

### IMPORTANT FEATURES OF THE COURSE

1. The whole course comprises of eight (8) papers with four (4) papers each in two semesters (first semester and second semester).
2. All the papers will be of 100 marks. Out of the total 100 marks, 80 marks in each paper are earmarked for end semester examination and 20 marks are assigned for internal assessment except paper 204.
3. A student has to secure minimum 9 marks (qualifying) out of 20 marks in at least two internal tests out of three tests, to be eligible for appearing at the end semester examination. Internal marks will be displayed along with the attendance of students before end semester examination.
4. There will be a field oriented common assignment and presentation in both semesters for all students as an internal assessment in all papers.
5. Every student has to undergo internship in reputed banking and insurance companies after **1<sup>st</sup> semester** examination and has to prepare and submit a project report of their training in respect of **paper 204**. The project report would carry **80 marks and 20** marks for viva-voce examination.
6. The periodical class test will be on a concurrent basis and will be conducted by the concerned teacher in three examinations through assignment/term/papers/seminar/class tests etc. and the average marks of the best two will be taken into account for final assessment.
7. The end semester examination question pattern for each paper will be as per existing university rules.
8. Other terms and conditions for admission to the course shall be at par with the existing rules and ordinance of Rajiv Gandhi University.

## **PROGRAM OBJECTIVE**

The primary objective of the Post Graduate Diploma in Banking and Insurance (PGDBI) program is to enable the students to learn the concepts of banking and insurance. To understand the importance of banking and insurance in the Indian and global economy and its contribution to the economic development, livelihood system and financial inclusion activities.

## **PROGRAM OUTCOME**

All the courses are designed keeping in view the employability, research, and innovation in the field of banking and insurance. The learning outcome for each course has been carefully designed to help students to have experiential learning in various domains of banking and insurance. The specific outcomes of the said program are:

1. A student will gain:
  - a. Disciplinary knowledge
  - b. Numerical and analytical skill
  - c. Communication skill
  - d. Problem identification, problem analysis and problem solving skill
  - e. banking and insurance Technology
  - f. Moral and Ethical Awareness/Reasoning with a holistic personality
  - g. Lifelong Learning
2. Other program outcomes are to widen the scope and depth of the courses enabling the students to undertake job or employment, further studies; to acquire a sound and advanced theoretical knowledge and skill with respect to banking and insurance; to acquainting the students with recent and contemporary practices and knowledge; and to encourage the students to acquire a range of skills through this ability enhanced course which is helpful in employment, internships, and social activities.

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## COURSE STRUCTURE

# POST GRADUATE DIPLOMA IN BANKING & INSURANCE (PGDBI)

(Under Credit System)

With effect from Academic Session 2016-17

<u>SEMESTER</u>	<u>Paper Code</u>	<u>Paper Title</u>	<u>Credit</u>	<u>Contact Hrs.</u>
<b>SEMESTER – I</b>				
	<b>101:</b>	Fundamentals of Banking	<b>04</b>	40
	<b>102:</b>	Fundamentals of Risk and Insurance Management	<b>04</b>	40
	<b>103:</b>	Management and Regulation of Bank	<b>04</b>	40
	<b>104:</b>	Management and Regulations of Insurance companies	<b>04</b>	40
<b>SEMESTER – II</b>				
	<b>201:</b>	Accounting of Banking and insurance companies	<b>04</b>	40
	<b>202:</b>	HRM in banking and insurance Companies	<b>04</b>	40
	<b>203:</b>	IT in Banking and insurance Companies	<b>04</b>	40
	<b>204:</b>	Project report (internship)	<b><u>04</u></b>	
	<b>TOTAL</b>	<b>8 Papers</b>	<b>80</b>	

# 1<sup>st</sup> SEMESTER

## **101: FUNDAMENTALS OF BANKING**

**Full marks: 100**

**Term end Exam: 80**

**Internal Assessment: 20**

**Credit: 04**

**Contact Hours: 40**

**Objective:** *To provide the students basic knowledge about the fundamental of banking theory and practices in the financial system of a country.*

**Outcome:** *After completion of the course a student will acquaint with the basic knowledge about the fundamental of banking theory and practices in the financial system of a country.*

**MODULE-I:** **Banking-** meaning- features-significance; evolution of bank; functions of bank, Banking Sectors- Retail, Corporate, Rural and International; Structure of Indian Banking system; Inclusive Banking- concept and features.

**MODULE-II:** **Types of Banks-** Commercial bank, Cooperative Bank, Regional Rural Bank- their functions and features; credit creation. **Central Banking-** objectives, functions and role; Monetary and credit control policy .

**MODULE-III:** **Bank Lending-** Process and documentation; Forms and Types of Advances and Collaterals; Priority Sector Advances; Export Credits; Assessment of Credit needs for Project and Working Capital Finance.

**MODULE -IV:** **Marketing of banking services:** Introduction; product mix; product development; pricing strategies; promotional mix; Distribution of bank services.

### **Recommended books:**

1. Muraleedharan, D. : Modern Banking, PHI Learning Pvt Ltd. New Delhi-110001.
2. Sriram, M.R, Ramanan, P.K, Chandrasekar, R. : Core Banking Solution: Evaluation of security and control, PHI Learning Pvt Ltd. New Delhi-110001.
3. Sharma, M. : Management of Financial Institutions: With emphasis on Bank and risk management, PHI Learning Pvt Ltd. New Delhi-110001.
4. Varshney, P.N. : Banking Law and practice, Sultan Chand & Sons.
5. L.M. Bolley : Financial institutions and markets, Tata McGraw Hill.
6. Bharti V. Pathak : Indian financial system, Pearson education.
7. Srivastava, R.M. : Managing of financial institutions, Himalaya Pub. House.
8. Vasant Desai : Indian financial system and development.

**102: FUNDAMENTALS OF RISK AND INSURANCE  
MANAGEMENT**

**Full marks: 100**  
**Term end: 80**  
**Internal: 20**  
**Credit: 04**  
**Contact Hours: 40**

**Objective:** *To provide the students an understanding about the basics of risk and its management in insurance companies.*

**Outcome:** *After completion of the course a student will acquaint with the basics of risk and its management in insurance companies.*

**MODULE I:** **Introduction to Risk:** Meaning; Nature; Types; Risk Management- concept, Definition and process.

**MODULE II:** **Basics of Insurance:** Meaning; Terms glossary; Nature; Purpose; Role of insurance in society; Insurance as a contract- Definition, Essential elements as per Contract Act 1872; Fundamental principles of insurance; reforms in insurance sector.

**MODULE III:** **Classification of insurance:** Life insurance; Non-life insurance- Fire, Marine, Automobile, Health, Rural; Social and Miscellaneous insurance.

**MODULE IV:** **Insurance Documents:** Proposal form; Policy form; Cover note, Certificate of Insurance, Endorsement, Renewal Notice, Claim form; Survey Report; Basic parts- Clause, Warranties, Condition, Exclusion, Riders, Deductibles.

**Recommended books:**

Insurance and Risk Management- P.K. Gupta  
Risk Management- G. Kotreshwar  
Principle and Practices of Insurance: P Periasamy  
Principles of Risk Management & Insurance– George E. Rejda.  
Risk Management & Insurance- Scott Harington.  
Risk Management & Insurance- C. Arthur Williams

## **103: MANAGEMENT AND REGULATION OF BANK**

**Full Marks: 100**

**Term End Exam: 80**

**Internal Assessment: 20**

**Credit: 04**

**Contact Hour: 40**

**Objective:** *To provide the students an understanding about the management and regulation of banks and its applications in India.*

**Outcome:** *After completion of the course a student will acquaint with the management and regulation of banks and its applications in India.*

**UNIT-I** **Organization and structure of Banks** – Branch banking & Unit Banking; Investment banking & Mixed Banking; Universal Banking & virtual banking; Mobile Banking & Tele-Banking; Public Sector and Private Sector Banks; Nationalization of Commercial Banks – Objectives – Progress.

**UNIT-II** **Management of Bank:** Structure & role; Asset classification & Management; customer management- Types of customers; Relationship with customer; Management of accounts; Types of accounts; NPA; Pass Book; Cheque; Features, Crossing, Endorsements.

**UNIT-III** **Banking Legislation and supervision:** Banking Laws and Reforms- Banking Regulation Acts-1949; CRR, Bank rate, SLR; economic and prudential regulation; Establishment of banking institutions; expansion of branches; merger and acquisition in banks.

**UNIT-IV** **Regulatory authority of bank-** Reserve Bank India-Evolution; RBI Act - 1935- main features; regulatory methods; Bank Ombudsman-Function and role; Changing Dimensions of Regulatory and Supervisory Framework.

### **Text and Reference Books:**

1. Basu : Theory and Practice of Development Banking
2. Muranjan S.K. : Modern Banking in India
3. Reddy & Appanniah : Banking Theory and Practice
4. Natarajan & Gordon : Banking Theory and Practice
5. Shekar & Shekar : Banking theory and practice, Vikas publishing house Pvt. Ltd.



## **104: MANAGEMENT AND REGULATIONS OF INSURANCE COMPANIES**

**Full marks: 100**

**Term end: 80**

**Internal: 20**

**Credit: 04**

**Contact Hours: 40**

**Objective:** *To provide the students an understanding about the management of insurance and its legal environment in India.*

**Outcome:** *After completion of the course a student will acquaint with the management of insurance and its legal environment in India.*

**Module -I: Underwriting & claim management:** Meaning, definition, objectives and principles of underwriting; underwriting in life & non-life insurance; Claim management in life and non-life insurance.

**Module -II: Insurance pricing & Insurance marketing:** Fundamental of insurance pricing, pricing objectives, rating, life Vs non-life insurance pricing; marketing of insurance products, distribution channels, marketing strategies of Indian insurance products

**Module -III: Insurance Intermediaries & Reinsurance:** Insurance intermediaries and their functioning; Surveyors and loss assessors; third party administrators; Meaning of Reinsurance; role of reinsurer; techniques of reinsurance; reinsurance in Indian perspective.

**Module -IV: Regulation of Insurance Business:** Legislative & Regulative matters- Aim, Objective & Areas of regulation; Main features of-Insurance Act- 1938, IRDA Act 1999, LIC Act 1956, Consumer Protection Act 1986; Insurance Ombudsman; Malhotra Committee; Insurance Advisory Committee.

### **Recommended books:**

1. Insurance and Risk Management- P.K. Gupta
2. Risk Management- G. Kotreshwar
3. Principle and Practices of Insurance: P Periaswamy
4. Principles of Risk Management & Insurance– George E. Rejda.
5. Risk Management & Insurance- Scott Harington
6. Risk Management & Insurance- C. Arthur Williams

## **2<sup>nd</sup> SEMESTER**

### **201: ACCOUNTING OF BANKING AND INSURANCE COMPANIES**

**Full Marks: 100**

**Term End Exam: 80**

**Internal Assessment: 20**

**Credit: 04**

**Contact Hour: 40**

**Objective:** *To provide the students basic knowledge about the accounting practices in banking & insurance businesses.*

**Outcome:** *After completion of the course a student will acquaint with the accounting practices in banking & insurance businesses.*

**Module-I: Introduction to Accounting:** Accounting-Meaning, Objectives, Characteristics, Utility, Limitations; Basic Accounting Concepts; User of Accounting Information, Fundamental Accounting Terminologies, and Source Documents.

**Module-II: Basics of Accounting:** Basis of Accounting, Branches of Accounting, Accounting Equation, Rules of Debit and Credit, Double Entry System-Concept, Journal, Subsidiary Books-Cash Book, Ledger, Trial Balance, Bank Reconciliation Statement; Final Account.

**Module-III: Accounting in Banking:** An Introduction to Books, Ledgers and Registers of Banking Companies; Calculation-Rebate on Bills Discounted, NPAs and Capital Adequacy Ratio; Format of Financial Statements of Banking Companies.

**Module-IV: Accounting in Insurance Companies:** Accounting for Insurance Companies-Introduction; Classes of Insurance Business; Insurance Terminologies; Format of financial statement of Insurance Companies.

#### **Recommended books:**

1. Double Entry System : T.S. General
2. Corporate Accounting : S.N. Maheshawari & S.K. Maheshawari, Vikas Publishing.
3. Corporate Accounting : Tulsian, Tata Mcgraw Hills Education.
4. Financial statement Analysis : Debananda Baruah, Balaji Publication, New Delhi-110093

**202:**

## **HRM IN BANKING & INSURANCE COMPANIES**

**Full Marks: 100**

**Term end Exam: 80**

**Internal Assessment: 20**

**Credit: 04**

**Contact Hours: 40**

**Objective:** *To provide the students with basic knowledge about the Human Resource Management in Banking & Insurance Sector.*

**Outcome:** *After completion of the course a student will acquaint with the Human Resource Management in Banking & Insurance Sector.*

**Module-I: Introduction:** Concept, Objectives, Importance of HRM; Roles, Functions and Responsibilities of H.R. Managers.

**Module-II: Procurement:** Manpower Planning, Recruitment & Selection, Placement and Induction. Present status of Recruitment and Selection in Banking and Insurance Sector.

**Module-III: Training & Development:** Concept, importance, Methods of Training, Training verses Development, Performance Evaluation, Transfer, Promotion, and Demotion, Current scenario of Training in Banking and Insurance Sector.

**Module-IV: Motivation:** Policies and Methods of wage payment; Motivation: Meaning, importance, Maslow and Herzberg's motivational theory. Emerging trends in wage and salary payment in Banking and Insurance Sector

### **Recommended books:**

1. Personnel Management – C. B. Mamoria VSP Rao: Human Resource Management, Text & Cases – Excel Books, 2005.
2. Memoria & Memoria: Dynamics of Industrial Relations, Himalaya, 2004.
3. Flipppo, Edwin B: Personnel Management, McGraw Hill, Tokyo, 1989
4. Memoria & Gankar: Personnel Management: text & cases, Himalaya 2004.

**203: INFORMATION TECHNOLOGY IN BANKING AND INSURANCE BUSINESS**

**Full marks: 100**

**Term end Exam: 80**

**Internal Assessment: 20**

**Credit: 04**

**Contact Hour: 40**

**Objective:** *To provide the students a basic knowledge about the role of Information Technology in Banking and Insurance sector and the scenario of present development.*

**Outcome:** *After completion of the course a student will acquaint with the role of Information Technology in Banking and Insurance sector and the scenario of present development.*

**Unit – I:** **Information Technology:** Meaning; Role of IT in business; Limitations; Internet Meaning, Basic Internet Terminology; Search Engines, Usage of Internet to society, E – Commerce –meaning, Characteristics, Advantages and limitations, Types, Difference between traditional commerce and e-commerce.

**Unit – II:** **E-Banking and Retail Banking:** E-banking – Definition; Services Provided; Facets of E-banking; Types; Benefits; Drawbacks; Banking Services through Internet.

Retail Banking; Difference between Core banking and Retail banking; Advantages and disadvantages of retail banking; Services Offered in Retail Banks; Opportunities and Challenges for Retail Banking; Types of Internet Banking Risk.

**Unit – III:** **IT in Insurance Sector:** Importance of IT in Insurance Sector in India; Companies offering insurance through internet in India; Apply insurance online-process; Growth of online insurance services in India.

**Unit – IV:** **Cyber Law in India:** Genesis of IT Legislation in India, Objectives of IT Legislation in India, IT Amendment Act 2008, ITA vs. ITAA, Other Acts amended by the IT Act.

**Recommended books:**

1. E-Banking Management: Issues, Solutions, and Strategies - Mahmood Shah & Steve Clarke - Information Science Reference (an imprint of IGI Global)
2. Banking and Finance on the Internet – Mary J Cronin
3. E – Banking – Brian Vixon and Mary Dixon.
4. For e-resources and books - <http://bookboon.com/>

**204:**

## **PROJECT REPORT**

**Full Marks: 100**

**Project Report: 80**

**Presentation & Viva: 20**

**Credit: 04**

**Contact Hours: 40**

*Objectives: The main objective of this paper is to provide basic knowledge about the research and its practical application.*

*Outcome: After completion of the course a student will acquaint with the basic knowledge about the research and its practical application.*

**Module-I: Project Report –3 credits**

**Module-II: Presentation / Seminar – 1 credits**

Each student will have to do the field work (internship) for a minimum of 15 days in any banking and insurance companies and a project report is to be prepared and submitted thereon. The internship or field work has to be conducted or done during the winter break after 1<sup>st</sup> semester examination is over. There will be no formal theory class in this paper. However, the concern teacher guide or supervisor would guide the student in selecting and formulation of research problem and final preparation of the project report.

The Project Report has to be prepared in the following line.

- **Cover Page etc.**
  - Cover Page
  - Advisor / Supervisor's Certificate
  - Undertakings of the Student
  - Acknowledgement
  - Table of Contents
  - Table of Graphs, Tables and Photographs
  - Abstract (1 Page): Provides a summary of the overall study. The format for the abstract usually follows these areas. Please note that you do not label the sections (purpose, methods, etc.), but you include the sentences as described below:
    - Purpose: "The purpose of this study...."
    - Methods: Usually one to two sentences on how this study was conducted and who the sample or population was.
    - Results: Usually two to three brief sentences on the major findings from the study.
    - Conclusion: One to two sentences on the major implications or ramifications from the study.
- **Chapter 1 – Introduction**
- **Chapter 2 – Review of Literature**
- **Chapter 3 – Analysis and Interpretation**
- **Chapter 4 – Summary of the work done, Major Findings, Observations and Conclusion**
- **Appendices:**

- Includes copies of all correspondence, instrumentation, and other written communication used in carrying out the research.
- Includes special lists (i.e., expert panel members, etc.).
- **References:**
  - Includes complete bibliographic information for all references cited in the text (use accepted style manual, such as APA, EPW).

***NO PLAGIARISM:*** A major ethical standard in research focuses on appropriately recognizing and crediting the work of others' who have contributed to the body of knowledge in a given area. Plagiarism is simply using someone else's ideas or wording without giving due credit / citation. When you present an idea in your dissertation / project report that originated from another source (written or spoken), even if you modified the wording or parts of the idea, credit to the original source should be given. The project report is a scholarly work, and as such, extensive citation from the literature is expected. As you make notes from a source, indicate clearly whether your notes are a direct quote or a paraphrased interpretation. If direct quotes are used, the page number is required for a complete citation. Plagiarism software is widely available and routinely used by professors and journal editors.