

Proposed Subjects/Courses in B.Voc. (Banking and Insurance) for three years

B.VOC. Banking and Insurance CURRICULUM

V Semester

General Education component: 12/ semester

THIRD YEAR SEMESTER -V		Course Type			HPW		Credits		Semester End Exam		Continuous Internal Evaluation		
Code	Course Title	Th	Pr	Th	Pr	Th	Pr	Duration in Hrs	Marks	Exam Duration	Marks	Total	
B.VB 501	Auditing of Banks and Insurance Companies	1	3	4	3	3	4	3	80	30 min	20	100	
B.VB 502	(a) Investment Banking (b) International Banking	4	-	4	-	2	4	2	40	30 min	10	50	
B.VB 503	(a) Business Laws and Taxation (b) Investment Management	1	3	1	3	2	4	2	40	30 min	10	50	
	Total no of Credits						12		160			200	

Skill Component Credits:  
Theory = 6 credits

THIRD YEAR SEMESTER -V		Course Type			HPW		Credits		Semester End Exam		Continuous Internal Evaluation	
Code	Course Title	Th	Pr	Th	Pr	Th	Pr	Duration in Hrs	Marks	Exam Duration	Marks	Total
B.VB 504	Underwriting and Claims Management	4	-	4	-	2	3	2	40	30 min	10	50
B.VB 505	Cyber Security in Banking and Insurance	4	-	4	-	2	3	2	40	30 min	10	50
	Total no of Credits						6		80			100

**Proposed Subjects/Courses in B.Voc. (Banking and Insurance) for three years**  
**B.VOC. Banking and Insurance CURRICULUM**  
**(APPROVED BY NSDC)**

**Skill Component Credits:**

**Practical = 12 credits**

THIRD YEAR SEMESTER -V (JOB ROLES)		Course Title		Course Type		HPW		Credits		Semester End Exam		To Be Conducted by Sector Skill Council/Industry Experts		Continuous Internal Evaluation			
Code						Th	Pr			Duration in Hrs	Marks	Exam Duration	Practical	Seminar	Marks	Total	
B.VB 506	Debt Recovery Officer	DSC - 3E		2	4	2	4	6	3	60	30 min	30	10	40	100		
B.VB 507	Junior Actuary Analyst	DSC - 4E		2	4	2	4	6	3	60	30 min	30	10	40	100		
	Total no of Credits							12		120					80	200	

On Job Training = 2 weeks

96

508

22  
12  
32

**AECC-Ability Enhancement Compulsory Course**

**CC-Core Course**

**DSE-Discipline Specific Elective**

**SEC-Skill Enhancement Course**

**GEC-Generic Enhancement Course**

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**B.VOC. Banking and Insurance CURRICULUM**

**VI Semester**

**General Education component: 12/ semester**

Comb-code = 621  
 CS-code = 105

THIRD YEAR SEMESTER -VI		Course Title	Course Type	HPW		Credits	Semester End Exam		Continuous Internal Evaluation	
Code				Th	Pr		Duration in Hrs	Marks	Exam Duration	Marks
B.VB 601	✓	Cost Accounting of Banks & Insurance Companies	1	3	4	3	80	30 min	20	100
B.VB 602	✓	(a) Rural Banking (b) Retail Banking	4	-	4	2	40	30 min	10	50
B.VB 603	✓	(a) Central Banking (b) Universal Banking	4	-	4	2	40	30 min	10	50
		Total no of Credits			12		160			200

MB03, Mkt. Insurance -

**Skill Component Credits:**  
**Theory = 6 credits**

THIRD YEAR SEMESTER -VI		Course Title	Course Type	HPW		Credits	Semester End Exam		Exam	
Code				Th	Pr		Duration in Hrs	Marks	Duration	Marks
B.VB 604	✓	Business Ethics and Corporate Governance	4	-	3	2	40	30 min	10	50
B.VB 605	✓	Business Economics	4	-	3	2	40	30 min	10	50
		Total no of Credits			6		80			100

①  
②  
③

④  
⑤

Proposed Subjects/Courses in B.Voc. (Banking and Insurance) for three years  
B.VOC. Banking and Insurance CURRICULUM

Skill Component Credits:

Practical = 12 credits

S.No	Sub. Code	Subject/ Paper title	Instruction Hrs/Wk	Maximum Marks			No. of Credits (T+P)	
				Internal evaluation	Seminar/SBT/ Practicals	External evaluation		Total
1	606	Banking Project <i>Practical</i>	24	20	20	60	6	
2	607	Insurance Project <i>Practical</i>	24	20	20	60	6	
<b>Total</b>				-	-	-	<b>200</b>	<b>12</b>

6  
7

Minimum Per

$$\frac{60 \times 60}{100} = 36$$

$$\frac{60 \times 60}{100} = 36$$

$$36 + 36 = 72$$

$$72 - 40 = 32$$



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**B.Voc Banking and Insurance**  
**Semester V Paper Code - 504**  
**Underwriting and Claims Management**  
**INTERNAL EXAM**  
**MODEL QUESTION PAPER**

**Time: 1/2 Hour**

**Max. Marks: 10**

**Section – A**

**(5 \* 1/2 = 2 1/2 Marks)**

**XIX. Fill in the Blank**

31. \_\_\_\_\_  
32. \_\_\_\_\_  
33. \_\_\_\_\_  
34. \_\_\_\_\_  
35. \_\_\_\_\_

**Section – B**

**(5\* 1/2 = 2 1/2 Marks)**

**XX. Choose the Correct Answer**

31. \_\_\_\_\_ [ ]  
a. \_\_\_\_\_ c. \_\_\_\_\_  
b. \_\_\_\_\_ d. \_\_\_\_\_  
32. \_\_\_\_\_ [ ]  
y. \_\_\_\_\_ c. \_\_\_\_\_  
z. \_\_\_\_\_ d. \_\_\_\_\_  
33. \_\_\_\_\_ [ ]  
y. \_\_\_\_\_ c. \_\_\_\_\_  
z. \_\_\_\_\_ d. \_\_\_\_\_  
34. \_\_\_\_\_ [ ]  
y. \_\_\_\_\_ c. \_\_\_\_\_  
z. \_\_\_\_\_ d. \_\_\_\_\_  
35. \_\_\_\_\_ [ ]  
y. \_\_\_\_\_ c. \_\_\_\_\_  
z. \_\_\_\_\_ d. \_\_\_\_\_

**Section – C**

**XXI. Answer the following Questions**

**(2\*2 1/2 -- 5 Marks)**

1Q.

2Q.



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**B.Voc Banking and Insurance**  
**Semester V Paper Code - 505**  
**Cyber Security in Banking and Insurance**  
**INTERNAL EXAM**  
**MODEL QUESTION PAPER**

**Time: 1/2 Hour**

**Section - A**

**Max. Marks: 10**

**XVI. Fill in the Blank**

**(5 \* 1/2 = 2 1/2 Marks)**

26. \_\_\_\_\_  
27. \_\_\_\_\_  
28. \_\_\_\_\_  
29. \_\_\_\_\_  
30. \_\_\_\_\_

**Section - B**

**XVII. Choose the Correct Answer**

**(5 \* 1/2 = 2 1/2 Marks)**

26. \_\_\_\_\_ [ ]  
a. \_\_\_\_\_ c.  
b. \_\_\_\_\_ d.
27. \_\_\_\_\_ [ ]  
w. \_\_\_\_\_ c.  
x. \_\_\_\_\_ d.
28. \_\_\_\_\_ [ ]  
w. \_\_\_\_\_ c.  
x. \_\_\_\_\_ d.
29. \_\_\_\_\_ [ ]  
w. \_\_\_\_\_ c.  
x. \_\_\_\_\_ d.
30. \_\_\_\_\_ [ ]  
w. \_\_\_\_\_ c.  
x. \_\_\_\_\_ d.

**Section - C**

**XVIII. Answer the following Questions**

**(2 \* 2 1/2 -- 5 Marks)**

1Q.

2Q.



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**B.Voc. (Banking and Insurance)**  
**Semester V Paper Code - 504**  
**Underwriting and Claims Management**  
**Model Question Paper**  
**End Semester**

**Time: 2 Hours**

**Section -A**

**Max. Marks: 40**  
**(5 \* 2 = 10 Marks)**

**Answer all the questions**

- 1.
- 2.
- 3.
- 4.
- 5.

**Section - B**

**(5 \* 6 = 30 Marks)**

**Answer any one question from each bit**

I. a) OR

b)

II a). OR

b)

III a) OR

b)

IV a) OR

b)

V a) OR

b)



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**Semester V Paper Code - 505**  
**Cyber Security in Banking and Insurance**  
**Model Question Paper**  
**End Semester**

**Time: 2 Hours**

**Section -A**

**Max. Marks: 40**  
**(5 \* 2 = 10 Marks)**

**Answer all the questions**

- 1.
- 2.
- 3.
- 4.
- 5.

**Section - B**

**(5 \* 6 = 30 Marks)**

**Answer any one question from each bit**

- |     |     |    |
|-----|-----|----|
| I.  | a)  | OR |
|     | b)  |    |
| II  | a). | OR |
|     | b)  |    |
| III | a)  | OR |
|     | b)  |    |
| IV  | a)  | OR |
|     | b)  |    |
| V   | a)  | OR |
|     | b)  |    |





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**B.Voc. (Banking and Insurance)**  
**Semester V Paper Code - 506**  
**Debt Recovery Officer**  
**Model Question Paper**  
**End Semester**

**Time: 3 Hours**

**Section –A**

**Max. Marks: 60**  
**(5 \* 4 = 20 Marks)**

**Answer all the questions**

- 1.
- 2.
- 3.
- 4.
- 5.

**Section – B**

**(5 \* 8 = 40 Marks)**

**Answer any one question from each bit**

- |     |     |    |
|-----|-----|----|
| I.  | a)  | OR |
|     | b)  |    |
| II  | a). | OR |
|     | b)  |    |
| III | a)  | OR |
|     | b)  |    |
| IV  | a)  | OR |
|     | b)  |    |
| V   | a)  | OR |
|     | b)  |    |



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### B.Voc. (Banking and Insurance)

### Semester V Paper Code - 507

### Junior Actuary Analyst

### Model Question Paper

### End Semester

Time: 3 Hours

Max. Marks: 60  
(5 \* 4 = 20 Marks)

### Section – A

### Answer all the questions

- 1.
- 2.
- 3.
- 4.
- 5.

### Section – B

(5 \* 8 = 40 Marks)

### Answer any one question from each bit

- |     |     |    |
|-----|-----|----|
| I.  | a)  | OR |
|     | b)  |    |
| II  | a). | OR |
|     | b)  |    |
| III | a)  | OR |
|     | b)  |    |
| IV  | a)  | OR |
|     | b)  |    |
| V   | a)  | OR |
|     | b)  |    |



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**B.Voc. (Banking and Insurance)**  
**Semester VI**      **Paper Code - 602**  
**(a) Rural Banking**  
**Model Question Paper**  
**End Semester**

**Time: 2 Hours**

**Max. Marks: 40**  
**(5 \* 2 = 10 Marks)**

**Section – A**

**Answer all the questions**

- 1.
- 2.
- 3.
- 4.
- 5.

**Section – B**

**(5 \* 6 = 30 Marks)**

**Answer any one question from each bit**

- I.      a) OR  
          b)
- II      a). OR  
          b)
- III     a) OR  
          b)
- IV     a) OR  
          b)
- V      a) OR  
          b)



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**B.Voc. (Banking and Insurance)**  
**Semester VI Paper Code - 602**  
**(b) Retail Banking**  
**Model Question Paper**  
**End Semester**

**Time: 2 Hours**

**Section - A**

**Max. Marks: 40**  
**(5 \* 2 = 10 Marks)**

**Answer all the questions**

- 1.
- 2.
- 3.
- 4.
- 5.

**Section - B**

**(5 \* 6 = 30 Marks)**

**Answer any one question from each bit**

- |     |     |    |
|-----|-----|----|
| I.  | a)  | OR |
|     | b)  |    |
| II  | a). | OR |
|     | b)  |    |
| III | a)  | OR |
|     | b)  |    |
| IV  | a)  | OR |
|     | b)  |    |
| V   | a)  | OR |
|     | b)  |    |



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**B.Voc. (Banking and Insurance)**  
**Semester VI Paper Code - 603**  
**(a) Central Banking**  
**Model Question Paper**  
**End Semester**

**Time: 2 Hours**

**Max. Marks: 40**  
**(5 \* 2 = 10 Marks)**

**Section – A**

**Answer all the questions**

- 1.
- 2.
- 3.
- 4.
- 5.

**Section – B**

**(5 \* 6 = 30 Marks)**

**Answer any one question from each bit**

- I. a) OR  
b)
- II a). OR  
b)
- III a) OR  
b)
- IV a) OR  
b)
- V a) OR  
b)



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**B.Voc. (Banking and Insurance)**  
**Semester VI Paper Code - 604**  
**Business Ethics and Corporate Governance**  
**Model Question Paper**  
**End Semester**

**Time: 2 Hours**

**Section -A**

**Max. Marks: 40**  
**(5 \* 2 = 10 Marks)**

**Answer all the questions**

- 1.
- 2.
- 3.
- 4.
- 5.

**Section - B**

**(5 \* 6 = 30 Marks)**

**Answer any one question from each bit**

- I. a) OR  
b)
- II a). OR  
b)
- III a) OR  
b)
- IV a) OR  
b)
- V a) OR  
b)



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**B.Voc. (Banking and Insurance)**  
**Semester VI Paper Code - 605**  
**Business Economics**  
**Model Question Paper**  
**End Semester**

**Time: 2 Hours**

**Section - A**

**Max. Marks: 40**  
**(5 \* 2 = 10 Marks)**

**Answer all the questions**

- 1.
- 2.
- 3.
- 4.
- 5.

**Section - B**

**(5 \* 6 = 30 Marks)**

**Answer any one question from each bit**

- |     |     |  |    |
|-----|-----|--|----|
| I.  | a)  |  | OR |
|     | b)  |  |    |
| II  | a). |  | OR |
|     | b)  |  |    |
| III | a)  |  | OR |
|     | b)  |  |    |
| IV  | a)  |  | OR |
|     | b)  |  |    |
| V   | a)  |  | OR |
|     | b)  |  |    |



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**B.Voc. (Banking and Insurance)**  
**Semester VI Paper Code - 603**  
**(b) Universal Banking**  
**Model Question Paper**  
**End Semester**

**Time: 2 Hours**

**Section - A**

**Max. Marks: 40**  
**(5 \* 2 = 10 Marks)**

**Answer all the questions**

- 1.
- 2.
- 3.
- 4.
- 5.

**Section - B**

**(5 \* 6 = 30 Marks)**

**Answer any one question from each bit**

I. a)

OR

b)

II. a).

OR

b)

III. a)

OR

b)

IV. a)

OR

b)

V. a)

OR

b)



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Arts, Commerce, Science & P.G. Centre

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**DEPARTMENT OF COMMERCE**

**(B.Vocational)**

**Syllabus – Banking & Insurance**

**I<sup>st</sup> YEAR**

**SEMESTER - ~~IV~~**

**V**

**2016-17**

**AUDITING OF BANKS AND INSURANCE COMPANIES**

Paper: 501

Max. Marks: 100

PPW: 4(1T+3P)

Exam Duration: 3hrs

**Unit I: Introduction:**

Meaning, Objects, Basic Principles and Techniques. Classification of Audit, Audit Planning. Internal Control, Internal Check and Internal Audit, Audit Procedure – Vouching and verification of Assets & Liabilities. Special Areas of Audit: Special features of Cost audit. Tax audit and Management audit. Recent Trends in Auditing: Basic considerations of audit in EDP Environment.

**Unit II: Audit of Limited Companies:**

- Qualification, Disqualification, Appointment, Removal, Remuneration of Auditors.
- Audit Ceiling-Status, Power, Duties and Liabilities of auditors.
- Branch Audit-Joint Audit- Special Audit.
- Maintenance of Books of Account –Related Party Disclosures- Segment Reporting.
- Divisible Profit, Dividend and Depreciation (Companies Act, Standards on Accounting, Legal Decisions and Auditor's Responsibility).
- Representations by Management-Contents of Annual Report (A Brief Idea).
- Definition-Distinction between Report and Certificate- Types of Reports/Opinion

**Unit III: Audit of Bank and Insurance Companies**

- Banks- Legislation Relevant to Audit of Banks, Approach to Bank Audit, Internal Control Evaluation, Non-Performance Assets (Concept, Provisions), Long Form Audit Report.
- Insurance Companies- Legislation Relevant to Audit of Insurance companies( Life And General Insurance), Review of Internal Control, Audit Report(Matters as per IRDA).
- Role of regulatory authorities like Department of Company Affairs, SEBI, RBI, IRDA and Comptroller Auditor General of India.

**Unit IV: Other Thrust Areas**

- Systems Audit- Social Audit- Environment Audit
- Energy Audit- Forensic Audit-Peer review (Concepts, Objectives and Regulatory Requirements).
- Ethics in Auditing – Auditor's Independence.
- Auditing in CIS Environment.
- Standards on Auditing (Concepts, Purpose and Present Position as to Number and Title as issued by ICAI).
- Professional Liability of Auditors: Code of Ethics with special reference to the relevant provisions of The Chartered Accountants Act, 1949 and the Regulations there under with case studies
- Role of Auditor vis a vis Audit committees & corporate Governance principles

#### REFERENCE BOOKS:

- Gupta, Kamal, Contemporary Auditing, TMH
- Tandon, B.N., Principles of Auditing, S. Chand & Co.
- Sharma, T.R., Auditing Principles & Problems, Sahitya Bhavan, Agra
- Spicer & Pegler, Practical Auditing
- Woolf, Emile, Auditing Today
- Basu, Sanjib Kumar, Fundamentals of Auditing, Pearson
- Auditing Assurance Standards and Guidelines issued by ICAI

## INVESTMENT BANKING

Paper: 502(a)

Max. Marks: 50

PPW: 4T

Time: 2 Hrs.

*Objective: to understand the structure and functions of investment banking in India*

### **UNIT I: INTRODUCTION:**

Investment Banking - Structure of the Investment Banking - Major developments in India, and international Capital markets - Investment banker - Activities - Investment banking Vs Merchant banking.

### **UNIT II: ISSUE MANAGEMENT – I:**

Guidelines for issue management - Management of capital issues - Pre issue activities - Post issue activities - Underwriting and Brokerage - Registrar and Share transfer Agents - Pricing and Marketing of public issues - Listing Guidelines.

### **UNIT III: ISSUE MANAGEMENT – II:**

Notion - Investment Process - Methods - Disinvestments mechanism - Incentives - Future Prospects.

### **UNIT IV: REGULATION OF INVESTMENT BANKING IN INDIA:**

Raising of offshore Finance - GDR - ADR - Bonds - Legal aspects & Modalities - Regulation of Stock Exchanges & Share Brokers.

### **UNIT V: REGULATION OF INVESTMENT BANKING IN INDIA:**

Regulations of investment bankers - Investment banking scenario in India - Financing of mergers and acquisitions - Recent Developments.

### **References:**

1. "SEBI Guidelines", Nabhi Publications.
2. Verma, "Merchant Banking: Organisation and Management", TMH Publications.
3. Zvi Bodie, Alex Kane and Alan J. Marcus, Investments, Boston, Irwin/McGraw-Hill, 2005.
4. William F. Sharpe, Gordon J. Alexander and Jeffery V. Bailey, Investments, Prentice-Hall, 1999.
5. Khan & Jain, "Financial Services", TMH.
6. Vasant Desai: Financial Markets and Financial Services, Himalaya publishers
7. Bharati V. Pathak: The Indian Financial System, Pearson, 2014
8. S.Gurusamy: Financial Services and System, Cengage

## INTERNATIONAL BANKING

Paper: 502(b)

Max. Marks: 50

PPW: 4T

Exam Duration: 2hrs

*Objective: to provide an insight into the activities of international banking and finance.*

### **UNIT I: INTRODUCTION:**

International Banking - Global Trends and developments - International Financial Centers, Offshore Banking Units, - Correspondent Banking and inter - Bank Banking International Financial Institutions: IMF, IBRD, BIS, IFC, ADB - Legal and regulatory aspects - Risk Management.

### **UNIT II: INTERNATIONAL FINANCE:**

International Finance - Fundamental Principles of Lending to MNCs, documentation and Monitoring - International Credit Policy Agencies and Global Capital Markets Raising resources: Availability features and risks of various Equity and debt products like ECBs, ADRs, ECCBs - Syndication of loans. Project and infrastructure Finance: Investments both in India (FII & FDI) and abroad, Joint ventures abroad by Indian corporates - Investment opportunities abroad for resident Indians. Financing of mergers and acquisitions.

### **UNIT III: FOREIGN EXCHANGE BUSINESS:**

Foreign Exchange Management Act (FEMA) and its philosophy - Different types of Exchange Rates - RBI and FEDAI: their role in regulating Foreign Exchange Business of Banks / other Authorized Dealers. Rules regarding rate structure, cover operations, dealing room activities and risk management principles, including correspondent Bank arrangements. NRI customers and various banking and investment products available to them under FEMA. Remittance facilities.

### **UNIT IV: INTERNATIONAL TRADE:**

Various Aspects of International Trade, Government policies, DGFT and their schemes, Customs procedures, Banks' role in implementing these policies and schemes WTO- its impact - Balance of payment, balance of trade, Current account and capital account convertibility. Documents used in Trade: bill of exchange, invoice, Bill of lading, Airways bill, Insurance policy - Role of Banks in foreign Trade Letters of credit; importance in international trade, various types of LCs, settlement of disputes, UCP600, INCOTERMS. Exchange control relating to foreign trade. Returns required to be submitted to RBI. Laws governing trade finance viz, FEMA, NIAAct, Indian stamp Act, EXIM policy, RBI /FEDAI guidelines - Role of Banks, including EXIM Bank, in financing Foreign Trade, various facilities to Exporters and importers including project finance, Forfaiting and Factoring Risks involved in foreign trade finance : Country risk, Currency risk, Exchange risk, legal risk etc, Role of ECGC.

## **UNIT V: DERIVATIVES:**

Derivatives - Treasury operations of banks and corporate - Derivatives as hedging instruments, types of instruments available in Indian Market. RBI rules and guidelines regarding derivatives Mathematics of derivative valuation and pricing Risk assessment of derivatives, Lessons from recent crisis in derivatives market.

### **References:**

1. International Banking Operations, Macmillan Publishers India Ltd.
2. International Banking - Legal and Regulatory Aspects, Macmillan Publishers India Ltd.
3. International Banking: Text and Cases, Jane E. Hughes, Scott B. MacDonald, Addison Wesley.
4. Modern Commercial Banking, H. R. Machiraju, H. R.
5. India Insurance Report, Dharmendra Kumar, H Chaturvedi Dharmendra Kumar Rahul Singh, Rahul Singh, Birla institute of management technology.
6. The Indian Insurance Industry and Climate Change, TERI Project Team.
7. Swiss re Sigma reports, various editions.

## BUSINESS LAWS & TAXATION

Paper: 503(a)

Max. Marks: 50

PPW: 4(1T+3P)

Exam Duration: 2hrs

*Objective: to understand the basic laws relating business contracts and taxation.*

### **UNIT-I: INDIAN CONTRACT ACT, 1872:**

Law of Contract - Offer and acceptance - Legal rules to consideration agreements- consent, coercion, undue influence, fraud, misrepresentation and mistake, breach of contract and remedies for breach of contract.

### **UNIT-II: SPECIAL CONTRACTS - I:**

Contract of indemnity and guarantee-Bailment and Pledge, -Agency - Quasi contract .

### **UNIT III : SPECIAL CONTRACTS – II:**

Sale of goods Act and Consumer Protection Act, 1986 - An introduction to Right to Information Act.

### **UNIT IV: PRINCIPLES OF DIRECT TAXATION:**

Canons of Taxation – Income tax and Wealth tax – Assessment and tax liability – Tax Management and Administration.

### **UNIT V: PRINCIPLES OF INDIRECT TAX LAWS:**

Central excise – Customs - Service tax - VAT - – Assessment, Computation of tax liability .

### **References:**

1. Gulshan S.S. - Business Law Including Company Law, Excel Books
2. Avtar Singh - Principles of Mercantile Law, Eastern Book Company, 7th Edition
3. Dr. Vinod K. Singhania, Direct Taxes Law & Practice, Taxman Allied Service Pvt. Limited.
4. Indirect Taxes- Law & Practices- V.S. Datey
5. Indirect Taxes- Ravi Kishore

## UNDERWRITING AND CLAIMS MANAGEMENT

Paper: 504

Max. Marks: 50

PPW: 4T

Exam Duration: 2hrs

*Objectives : to familiarize the concepts, principles & practices of underwriting and claims management.*

### **UNIT I: INTRODUCTION:**

Life and Non-Life Underwriting - Risk selection – Classification & Rating – Retentions and Reinsurance – Rate Making – Types of Underwriters – Underwriting Decisions – Monitoring Underwriting Decisions.

### **UNIT II: METHODOLOGY & PROCEDURES OF UNDERWRITING (LIFE AND NON-LIFE) :**

Acceptance of Extra Hazardous Risks – Underwriting Safeguards – New Business Procedure – Underwriting of Renewal Business.

### **UNIT III: PROCESS OF RATE MAKING :**

The Process of Rate Making – Mathematical Equations – Pure Premium and Loss Ratio Methods – Trended, Projected Ultimate Losses – Loading Factors – IRDA Guidelines on Classification of General Insurance Products – Class Rated and Individual Rated Products – Schedule Rating – Experience Rating – Exposure rating.

### **UNIT IV: REGULATION OF RATE MAKING:**

Filing of Rates & Policy Forms for Regulatory Review – Prior Approval – File & Use – Use & File – FLEX rating Regulation – Components for Product Evaluation – Indian Insurance Market – IRDA Requirement.

### **UNIT V: ISSUES IN UNDERWRITING:**

Underwriting Policy - Tools for Effective Underwriting - Roles of Moderator / Compliance Officer / Appointed Actuary / Advocate - Analysis of Claims – Underwriting Audit – Review of Claims and Special Events - IT Applications in Underwriting.

### **References:**

1. Underwriting Principles - Joseph F Mangan / Connor M Harrison
2. Guide to Life Assurance Underwriting including short glossary of medical terms  
Author – J.E.Evans, J E / WN Mann
3. Underwriting management– C.I.I.
4. Life Insurance Underwriting – K.C.Mishra / R.Venugopal
5. Advanced underwriting techniques, Joseph Mangan & Harrison Connor



## CYBER SECURITY IN BANKING AND INSURANCE

Paper: 505

Max. Marks: 50

PPW: 4T

Exam Duration: 2hrs

**Objective:** to understand the cyber crimes. Computer forensic system, and Cyber security in India.

### **UNIT I: INTRODUCTION:**

Cyber Crime - Channels - Methods - Stalking & Cyber Squatting - Cyber Extortion & Cyber Cheating - Cyber warfare & Cyber Terrorism - Phishing & Hacking - Internet Crime & Internet fraud - User Failures & Causes.

### **UNIT II: COMPUTER FRAUD PROTECTION I:**

Computer Fraud Protection - Mitigation Controls - Encryption / Decryption - Cyber Crime Reporting and Investigation - Cyber Crime Risk Management - Cyber Forensics.

### **UNIT III: COMPUTER FRAUD PROTECTION II:**

Online Transactions - Global Payment Processing - Payment Cards & Data Security - Electronic Card Frauds.

### **UNIT IV: REGULATION OF CYBER CRIME I:**

Cyber Crime and the Legal Landscape - the world – Cyber laws in the Indian context – The Indian IT Act 2000 - Cyber crime scenario in India.

### **UNIT V: REGULATION OF CYBER CRIME II:**

Electronic Transactions and Taxation Issues - Human traits – Associates – Behavior - Regulatory Compliance.

### **References:**

1. Cyber Crimes and Fraud Management, Macmillan Publishers India Ltd.
2. Cyber security, Nina Godbole & Sunit Belapure, Wiley India Pvt Ltd.
3. Department of Information Technology, Government of India ([www.deity.gov.in](http://www.deity.gov.in)).
4. Business Ethics: An Indian Perspective, A. C. Fernando, Pearson Education.
5. Cyberspace and Cyber security, George Kostopoulos, CRC press, Taylor & Francis Group.

## Debt Recovery Agent

Paper: 506

Max. Marks: 100

PPW: 6 (2T+4P)

Exam Duration: 3hrs

### **Objectives :**

The job role of a Debt Recovery Agent(DRA) are representatives appointed by banks and lawful debt collection agencies to act as their agents and make calls or visit debtors to collect any kind of past due bill without violating the regulations implemented by RBI.

Debt recovery agents are also responsible for providing debtors every important detail of their loans terms & conditions and guide them accordingly for the payment.

Debt Recovery Agents are responsible for collecting monies which are owed to the parties they represent. Debt Recovery Agent's role embodies professionalism & customer service. They work either on behalf of the company to which the money is owed or as a part of collection agencies (which help companies recover overdue funds).

**Personal Attributes:** The individual is required to have good interpersonal and problem solving skills. the individual must be self-driven and organized with their work and act with integrity when performing multiple tasks for the customers.

Each learning outcome begins with a cognitive skill that encompasses one of the following:

Knowledge	Knowledge based questions require the candidate to recall factual information. Typically questions may ask 'What', 'When' or 'Who'.
Understanding	To answer questions based on understanding, the candidate must be able to link pieces of information together in cause and effect relationships. Typically questions may ask 'Why'.
Apply	To answer application questions, the candidate must be able to apply their knowledge and/or understanding to a given set of circumstances. Questions set on a be able to apply learning outcome can test knowledge and/or understanding as well as application

The Training candidate should follow:

Skills (S) Core Skills/ Generic Skills: 1. Reading & Writing Skills 2. Professional Skills

Total Marks: 100

Total Number of Credits: 6

Units	Topic/Units	Theory Duration	Practical Duration	Key learning Outcome	NOS Aligned
1	<p><b>Organizational Context</b> (Knowledge of the company /organization and its processes)</p>	9	12	<p>Organizational &amp; ethical standards of financial institutions. - Types and features of various kind of loans and credit products that banks offer to customers. - RBI guidelines to proceed with debt collection as per organizational guidelines - Standard operating procedure for performing the recovery agent's function - Banking regulations relevant to the credit products offered to the customers - Legal &amp; regulatory aspects related to debt recovery - The documentation process of collecting due debts as per organizational guidelines. - Risk compliance and risk associated with various credit products. - Types of customer segments and their suitability to products they are planning to utilize. - Methods to map customer's competency to pay off the loan or dues. - Security procedures for handling confidential customer information. - Timing and schedule for visiting customers for collection</p>	Yes
2	<p>Understanding the Technical Knowledge of</p>	9	12	<p>Types of loan products and credit cards offered and their details. - Products offered by</p>	Yes

	organizational process.			<p>various other financial institutions including</p> <p>other banks, NBFCs, money lenders etc. - Bank's objectives, its role, functions and structure. - Rules and regulations regarding retail banking and E-banking - Basic KYC norms - Procedure for digitally updating customer's loan details, if required. - Making calls to debtors for collection - Inform customers about the regulations in case of consumer loan default. - Be aware of recent banking trends regarding credit products.</p>	
3	<p>Understanding the Core Skills/ Generic Skills of organizational process.</p>	9	12	<p><b>Writing Skills</b></p> <p>Prepare collection reports and summary of the documents for Senior's review. - Prepare overall progress report. - Communicate clearly at least in one language</p> <p><b>Reading Skills</b></p> <p>Read and understand organizational and regulatory guidelines. - Read about the products and services with reference to the Organization. - Keep abreast with the latest knowledge/standards/practices on the legal front including RBI guidelines by reading newspaper, pamphlets, website etc. - Read and verify legitimacy of documents</p>	Yes

				<p>submitted by debtors. - Read and explain terms and conditions of various bank products to debtors</p> <p><b>Oral Communication (Listening and Speaking skills)</b></p> <p>Listen to the customer's problems to provide them the right solution for quick repayment. - Discuss &amp; communicate to customers regarding collections &amp; nonpayment consequences. - Question appropriately in order to understand the nature of the problem and make a diagnosis. - Perform the task with clarity in understanding of the situation of Repayment/ non r repayment. - Communicate clearly with the customer using language that he/she understands well. - Communicate and share knowledge with peers and supervisors.</p>	
4	Understand Professional Skills of organizational process.	9	12	<p><b>Decision Making</b></p> <p>Determine the exact issue customer is facing while paying the dues. - Make clear, logical decisions on how to deal with adamant debtors who refuse to pay.</p> <p><b>Plan and Organize</b></p> <p>Plan appointments with debtors as per their convenience to meet and talk about the dues. - Be</p>	Yes

prepared with all the essential  
due account's detail prior to  
the meeting. - Organize work  
& time in order to maximize  
productivity - Follow-up  
properly with debtors and  
provide support services  
needed for quick repayment.

#### **Problem Solving**

Address problems arising due  
to customer non-cooperation  
or administrative fault and  
escalate those issues beyond  
one's role. - Refer the  
anomalies to supervisor

SB9. seek clarification on  
problems from others within  
the team.

#### **Analytical Thinking**

Analyze data, debtor's  
financial activities and  
severity of delinquency -  
Assess debtor's financial  
status and go ahead with the  
collection

procedure - Draw insights  
from the interaction with  
debtor to solve the issue

#### **Critical Thinking**

Provide opinion on work in a  
detailed and constructive way

SB14. Consistently obtain  
feedback and improve their  
performance - Exercise  
judgment in unforeseen  
situations which preserve

				company values and are in line with organizational guidelines	
5	Case Studies & Understand Recovery strategies	9	12	Case Studies and practice with Soft Skills - Dos and Don'ts of debt recovery based on Norms and codes - Strategies for Recovery - guidelines. Cases involving different kinds of loans. - Phone Strategies. - Role plays to practise procedures along with soft skills.	Yes
	Total	45	60		

**Total Programme Duration: 32 Theory Hrs + 73 Practical training hrs =105 hrs**

**OJT Period: 30days Total Hrs: 135hrs**

**Reference Books:-**

1. M.L.Tannan, revised by : Banking Law and Practice, Wadhwa & Company, Nagpur C.R. Datta & S.K. Kataria.
2. A.B. Srivastava and : Seth's Banking Law, Law Publisher's India (P) Limited K. Elumalai
3. R.K. Gupta : BANKING Law and Practice in 3 Vols.Modern Law Publications.
4. Prof. Clifford Gomez : Banking and Finance - Theory, Law and Practice, PHI Learning Private Limited
5. J.M. Holden : The Law and Practice of Banking, Universal Law Publishing.

Paper: 507

## Junior Actuarial Analyst

Max. Marks: 100

PPW: 6 (2T+4P)

Exam Duration: 3hrs

### OBJECTIVE:

At the end of the syllabus candidate will able to demonstrate knowledge and understanding of:

Analyze statistical data, such as mortality, accident, sickness, disability, and retirement rates and construct probability tables to forecast risk and liability for payment of future benefits. May ascertain premium rates required and cash reserves necessary to ensure payment of future benefits.

This course aimed at training candidates for the job of "Junior Actuarial Analyst" in the Insurance Sector and aims at building the following key competencies amongst the learner –

<ul style="list-style-type: none"><li>Analyze statistical information to estimate mortality, accident, sickness, disability, and retirement rates.</li></ul>	<ul style="list-style-type: none"><li>Ascertain premium rates required and cash reserves and liabilities necessary to ensure payment of future benefits.</li></ul>
<ul style="list-style-type: none"><li>Collaborate with programmers, underwriters, accounts, claims experts, and senior management to help companies develop plans for new lines of business or improving existing business.</li></ul>	<ul style="list-style-type: none"><li>Construct probability tables for events such as fires, natural disasters, and unemployment, based on analysis of statistical data and other pertinent information.</li></ul>
<ul style="list-style-type: none"><li>Design, review and help administer insurance, annuity and pension plans, determining financial soundness and calculating premiums.</li></ul>	<ul style="list-style-type: none"><li>Evaluate degree of financial risk and develop mathematical ideas or interpretations</li></ul>
<ul style="list-style-type: none"><li>Prepare technical reports or related documentation and use quantitative research methods</li></ul>	<ul style="list-style-type: none"><li>Determine policy contract provisions for each type of insurance. Provide advice to clients on a contract basis, working as a consultant.</li></ul>
<ul style="list-style-type: none"><li>Provide expertise to help financial institutions manage risks and maximize returns associated with investment products or credit offerings.</li></ul>	<ul style="list-style-type: none"><li>collect statistical data and compile numerical or statistical data</li></ul>

The Training candidate should follow:

1. The Performance Criteria (PC)
2. Knowledge and Understanding (K)
  - A. Organizational Knowledge (KA)
  - B. Technical Knowledge (KB)

Skills (S) Core Skills/Generic Skills:

1. Reading & Writing Skills and
2. Professional Skills



Total Marks: 100

Total Number of Credits: 6

Units	Topic\Units	Theory Duration	Practical Duration	Key Learning Outcome	NOS Aligned
1	<b><u>FOUNDATION OF ACTUARIAL SCIENCE</u></b>	6	14	<b><u>Introduction - the Actuarial Science</u></b> – meaning and definition of actuary- Characteristics of Actuarial Science, - Actuarial education - Actuarial research - an actuarial model of loss development– the role of actuary .Compound Interest, Accumulated Value, Present Value Investment Value, Level Annuities, Variable Annuities, Redemption of Loans, Further Compound Interest and Annuities certain, Probability, Mortality Table, Construction of Mortality Table, Well Known Mortality Tables and Indices for comparison of different mortality tables, Life Assurance Premiums, Assurance Benefits, Net Premium for assurance plans, Net Premium for Annuity Plans, Premium Conversion Tables, Office	Yes

				Premiums, Policy values, Further Life contingencies.	
2	<b><u>ACTUARIAL ASPECTS OF PRODUCT DEVELOPMENT</u></b>	6	15	. What is a product?, Why design of Product is Important ?, Pricing of Product-1, Types of Insurance Products – Individual, Pricing of Products – 2, Types of Insurance Products – Group, Premium bases – Interest rate, Premium bases – Mortality and Morbidity rates, Premium Bases – commission rates, Premium bases – Expense rates, Reinsurance Support, Financial Viability –Profit Margin and Solvency Margin, Conclusion, References, Policy document, etc, Specimen Proposal for Group Contract etc, IRDA File and use procedure.	Yes
3	<b><u>MATHEMATICAL BASIS OF LIFE ASSURANCE</u></b>	7	15	Elements of compound interest, accumulated value and present value- nominal and effective rates of interest – immediate annuities certain and	Yes

				<p>deferred annuities certain – perpetuities – functions included in compound interest tables and their uses. Redemption of loans – Sinking funds – average interest yield on the fund of a life office. Elementary theory of profitability – mortality table – concept of stationary population – expectation of life – select rates. General nature construction, characteristics and uses of mortality tables, mortality of Indian assured lives - Premiums – General principles – natural premiums – level premiums – net premiums – office premiums – loading for expenses with profit and without profit premiums – adequacy of premiums and relative consistency – use of commutation function in finding values of premiums and assurance benefits. Life office valuations – general principles – policy values –</p>	
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				retrospective and prospective methods of valuation of liabilities – different methods of valuation – concept of estate and trading profit special reserves and adjustments in the valuation – sources of surplus – methods of distribution of surplus.	
4	<u>ACTUARIAL SCIENCE IN RISK MANAGEMENT</u>	7	15	insurance risk –rate making-pricing-credibility-reservingrisk theory-definition of risk-types of risk – risk management – risk control – risk financing – risk financing option for an insurer- financial – applications – examples. Rate making – concept of rate making- basic terminology – rate making process – trended – projected – ultimate losses – expense provisions – profit and contingencies – expense provisions – overall rate indications – classification rates. Individual risk rating – introduction – goal of individual risk rating – prospective	Yes

systems - schedule  
rating - experience  
rating - composite  
rating - retrospective  
rating - designing an  
individual risk rating  
system. Loss  
reserving -  
accounting system -  
claim department  
reserving - loss  
reserve definitions -  
loss reserving  
principles - loss  
reserving process -  
explanatory data  
analysis - loss  
reserve estimation  
methods - paid loss  
development -  
incurred loss  
development - claim  
count development -  
average paid claim  
projection -  
allocated loss  
adjustment expenses  
- unallocated loss  
adjustment expenses  
- evaluation of  
ultimate loss  
estimates -  
monitoring result.  
Risk classification -  
introduction  
relationship to other  
mechanisms -  
criteria for selecting  
- rating variables -  
examples of  
classification  
systems - forces  
affecting

				classification systems - measures of efficiency - estimating class relativities.	
5	<u>BASIC RATEMAKING IN ACTUARIAL SCIENCE</u>	6	14	Introduction- Rating manuals-Basic insurance terms-Fundamental insurance equation-Basic insurance ratios-Summary, Rating manuals-Rules-Rate Pages - Rating Algorithms-Rate making Data-Internal Data- Data Aggregation- External Data Exposures - Criteria for exposure bases- Exposures for large commercial risks- Aggregation of exposures-Exposure trend, Premium - Premium aggregation- Adjustments to premium, Losses and LAF- Loss definitions-Loss data Aggregation Methods-Common Ratio involving loss statistics Adjustments to losses- Loss Adjustment Expenses, Special classification - Territorial ratemaking-increased limit	Yes

ratemaking-  
Deductible pricing-  
size of risk for  
workers  
compensation-  
insurance to value,  
Credibility-  
Necessary criteria  
for measures of  
credibility- methods  
of determining  
credibility of an  
estimate- desirable  
qualities of a  
complement of  
credibility-  
credibility using  
statistical methods,  
Other  
considerations-  
Regulatory  
constraints –  
operational  
constraints-  
marketing  
considerations.  
Implementation-  
Example imbalance-  
non-pricing  
solutions- pricing  
solutions-calculating  
new rates for an  
existing product-  
calculating new rate  
based on bureau or  
competitor  
ratescommunication  
and monitoring  
Commercial lines  
rating mechanism-  
manual rate  
modification  
techniques-rating

				mechanism for large commercial risks, Claims made ratemaking- Report year aggregation- Principles- Determining rates- coordination policies.	
	<b>Total</b>	32	73		

Total Programme Duration: 22 Theory Hours+53 Practical Training Hours=105Hours

**OJT Period: 30 Days Total Hours: 135 Hours**

**Reference Books :-**

1. Solutions Manual for Actuarial Mathematics for Life Contingent Risks (International Series on Actuarial Science) by David C. M. Dickson, Howard, R. Waters.
2. Actuarial Mathematics for Life Contingent Risks (International Series on Actuarial Science) by David C. M. Dickson, Mary R. Hardy, Howard R. Waters.
3. Introduction to Mathematical Portfolio Theory (International Series on Actuarial Science) by Mark S. Joshi, Jane M. Paterson.
4. Fundamentals of Actuarial Mathematics, By S. David Promislow.
5. Mathematical and Statistical Methods for Actuarial Sciences and Finance by Marco Corazza, Claudio Pizzi.
6. Statistical and Probabilistic Methods in Actuarial Science, By Philip J. Boland
7. Financial Enterprise Risk Management, By Paul Sweeting.



# HINDI MAHAVIDYALAYA

(AUTONOMOUS & NAAC – RE ACCREDITED)

Arts, Commerce, Science & P.G. Centre

(Affiliated to Osmania University)

NALLAKUNTA, HYDERABAD – 44.



## DEPARTMENT OF COMMERCE

(B.Vocational)

Syllabus – Banking & Insurance

I<sup>st</sup> YEAR SEMESTER VI

VI

2016-17

BoV - VI Semester ✓

**COST ACCOUNTING OF BANKS AND INSURANCE COMPANIES**

Paper: 601

Max. Marks: 100

PPW: 4(1T+3P)

Exam Duration: 3hrs

**Objective:** To impart basic cost accounting knowledge as applicable to banking and insurance with suitable illustrations

**UNIT-1:**

(1) Identifying Elements of cost :-

- Materials.
- Staff cost.
- Overheads.

(2) Cost Classification by behaviour with reference to banking and insurance industries :

(3) Cost Accounts and Financial Accounts compare:

- Contrast and reconcile

**UNIT-2:**

Different Methods of costing:-

- Process costing.
- Services costing.
- Operating Cost Statement.
- Contract costing

**UNIT-3:**

Budgeting :

- Project planning and forecasting
- Tax Impact in Project Finance
- Incremental budgeting
- Zero-based budgeting.
- Activity based budgeting.
- Designing and analysing a Business/Project Plan

**UNIT-4:**

Costing Systems and Decision making:

- Value and functional cost analysis.
- Resource planning system: MRPI, MRPII and ERP.
- Just-in-time.
- Activity-based Costing
- Absorption Costing
- ABC Analysis

**UNIT-5:**

(1) Costing Concept with specific reference to Insurance Claims

(08L)

- a. Fire Insurance claims... working Stock as on the Date of Fire
- b. Working for Consequential Loss Claim.

(2) Fundamentals of Standard Costing- Material & Labour cost variances

**Recommended Books:**

1. Cost Accounting by Dr. P. C. Tulsian
2. Cost Accounting by Maheshwari

## RURAL BANKING

Paper: 602(a)

Max. Marks: 50

PPW: 4T

Exam Duration: 2hrs

**Objectives :** *to understand the rural banking scenario in india.*

### **UNIT I: INTRODUCTION:**

Rural India - Demographic features - Characteristics of Rural Society - Economic Features; Trends in per capita income, rural money markets and rural indebtedness - rural infrastructure - rural poverty - main causes and methods of measuring rural poverty.

### **UNIT II: RURAL SCENARIO IN INDIA:**

Structure and characteristics of Indian agriculture, Role of agriculture in economic development, agriculture-industry linkages, constraints to agriculture development, Emerging issues in Indian Agriculture. Rural Development Policy; Govt. policies and programmes for rural farm and non-farm sectors. Economic reforms and its impact on rural economy. Rural Issues; Development issues, Management Issues, Marketing issues, Pricing issues.

### **UNIT III: RURAL DEVELOPMENT IN INDIA:**

Financing Rural Development - Regulation of Rural Financial Services; Function and policies of RBI in Rural Banking, NABARD-Main functions, role, refinance support. Lead bank approach, State level and District level Credit committees. Rural Credit Institutions; Co-operative Credit Societies and Banks, Land Development Banks, Regional Rural Banks, Commercial Banks. Role of Information and communication technologies in rural banking-Models, Financial inclusion & inclusive growth for rural development banking, rural insurance micro insurance scheme, concept of Business Facilitators and Business Correspondents in rural financing.

### **UNIT IV: FINANCING RURAL DEVELOPMENT IN INDIA:**

Financing agriculture / allied activities; Crop Loans-Assessment, Sanction, Disbursement, rephasing. Term loans for irrigation, Farm mechanization - Financing allied agriculture activities, Warehouse / cold storage receipts Financing Rural Non-Farm Sector (RNFS); Role of Development and Promotional Institutions in RNFS - Financing of SME and small enterprise Refinance from SIDBI. Project funding techniques and requirement assessment - Risk rating of SME proposals - role of rating agencies and rating methodology. Revival of sick units - Debt restructuring mechanism.

### **UNIT V: RURAL BANKING IN INDIA:**

Priority Sector Financing and Government initiatives - Poverty alleviation and Employment programmes / Production oriented programmes-rationale and philosophy, progress and impact, problems and deficiencies. Rural housing and Urban housing schemes under priority sector, their refinance, Educational loans - Rural Banking - Micro Credit, Self Help Groups / NGOs, linkages with banking, latest guidelines of GOI and RBI.

**References:**

1. Rural Banking Operations, Macmillan Publishers India Ltd.
2. The Indian Financial System: Markets, Institutions and Services, Bharati V. Pathak, Pearson Education.
3. Rural Development: Principles, Policies and Management, Katar Singh, Sage Publications.
4. Agricultural Credit and NABARD, Tapan Kumar Shandilya, Umesh Prasad

## RETAIL BANKING

Paper: 602(b)

Max. Marks: 50

PPW: 4T

Exam Duration: 2hrs

*Objectives : to acquaint with the concept of retail banking products and its operations in India*

### **UNIT I:INTRODUCTION:**

Retail banking - History and definition, role within the bank operations, Applicability of retailing concepts - distinction between Retail and Corporate / Wholesale Banking. Retail Products - Overview - Customer requirements, Products development process, Liabilities and Assets Products / Description of Liability products, Description of Asset Products, Approval process for retail loans, Credit scoring.

### **UNIT II: RETAIL BANKING PRODUCTS AND SERVICES:**

Important Asset Products - Home Loans - Eligibility, Purpose, Amounts, Margin, Security, Disbursement, Moratorium, Prepayment issues, Repayments / Collection. Auto / Vehicle Loans - Eligibility, Purpose, Amounts, Margin, Security, Disbursement, Moratorium, Prepayment issues, Repayments / Collection. Personal Loans Eligibility, Purpose, Amounts, Security, Disbursement, Moratorium, Prepayment issues, Repayments / Collection. Educational Loans Eligibility, Purpose, Amounts, Security, Disbursement, Moratorium, Prepayment issues, Repayments. Credit / Debit Cards - Credit Vs Debit Cards, Eligibility, Purpose, Amounts, Margin, Security, Process of using the cards, Billing Cycle, Credit Points. Other Products / Remittances / Funds Transfer .

### **UNIT III:ISSUES IN RETAIL BANKING:**

Marketing / Selling of retail products, MIS and Accounting - Retail Strategies; Tie-up with Institutions for Personal loans / Credit cards / Educational loans, with OEMs / Authorised Dealers for Auto / Vehicle loans, and with Builders / Developers for Home loans - Delivery Channels - Branch, Extension counters, ATMs, POS, Internet Banking, M-Banking. Selling Process in retail products-Direct Selling Agents.

### **UNIT IV:CUSTOMER RELATIONSHIP MANAGEMENT IN RETAIL BANKING:**

Role and impact of customer relationship management, Stages in customer relationship management process. Regulations and compliance Technology for Retail Banking - Static information, Account opening, basic loan origination data etc. Updated information like income details at different frequencies. Transaction information from disbursement till final settlement of the loan amount. Analytics / Alerts. Accounting entries - Loan process and the relevant accounting including EMI Computation.

## UNIT V: OTHER ISSUES RELATED TO RETAIL BANKING:

Securitisation, mortgage based securities. Trends in retailing - New products like Insurance, Demat services, online / Phone Banking, Property services, Investment advisory / Wealth management, Reverse Mortgage - Growth of e-banking, Cross selling opportunities. Recovery of Retail Loans - Defaults, Rescheduling, recovery process. SARAFESI Act, DRT Act, use of Lok Adalat forum. Recovery Agents - RBI guidelines.

### References:

1. Retail Banking - IIBF – MacMillan Publishers
2. R.Rajesh and T. Sivagnanasithi, Banking Theory, Law and Practice, TMH.
3. E.Gordon and K.Natarajan, Banking Theory, Law and Practice, Himalaya publishers

## CENTRAL BANKING

Paper: 603(a)

Max. Marks: 50

PPW: 4T

Exam Duration: 2hrs

### ***UNIT-1: Rationale and Functions of Central Bank***

1. Evolution and Functions of Central Banking : Evolutions of Theory and Practice of Central Banking, Development of Central Banks in Developed and Developing countries.
2. Functions of a Central Bank : Banker to Government, Banker to Banks, Monetary policy Functions, Currency Issue and Management, Payment system function, Maintaining Internal and External values of currency, Regulation, Facilitation and supervision of Financial System, Promotional Functions to support growth and other National objectives, Development of Financial Markets, Institutions and communication policies.
3. Contemporary Issues : Desirability, Autonomy and independence, Credibility, accountability and transparency of a Central Bank, conflict with fiscal policies.

### ***UNIT-2: Central banking in India***

1. Reserve Bank of India : Organisational evolution, Constitution and Governance, Major organizational and Functional Developments over the time, Recent Developments, RBI Act.
2. India Specific Issues : Banking Regulation Act, FEMA, Banking Ombudsman Scheme, Financial Sector reforms, other financial regulators and division of functions. Institutions setup by RBI; NABARD, IDBI, DFHI, IRBI, UTI.
3. Glossary of Central Banking Terms.

### ***UNIT-3: Monetary Policy and Credit Policy***

1. Monetary Policy : Objectives, Reconciling dual objectives, The Taylor Rule, Indicators of Policy, instruments of policy (Bank Rate, OMO, CRR, SLR etc.), policy Transmission mechanism and channels, transparency of policies, Lags in policy.
2. Credit Policy : Objectives, Theory and Practice, Instruments.
3. An over view of Fiscal Policy : Importance of Budgets, Union Budget, State Budget, Finances of Union and State Governments, Finance Commission.
4. Striking balance between inflation and growth through monetary and fiscal policies.

### ***UNIT-4: Supervision and Financial Stability***

1. Indian Financial System : Constituents of Indian Financial Markets and their Regulation. Evolution of Bank Regulation and supervision.
2. Financial Stability : Financial Development Vs Financial stability, Risks to Financial stability, Early warning signals and remedial action, Liquidity Management, Regulation and supervision of Banks, Risk Management in Banks, The Basel Norms, Prudential Norms, Effect of liberalisation and Globalisation on Financial Stability, Linkage to International Financial Stability, International standards and codes. Role of Supervisor under Basel-II.

#### REFERENCE BOOKS:

- 1) R.B.I. History of R.B.I., in India
- 2) R.B.I. 50 Years 1935-85
- 3) M.H. De Kock : Central Banking
- 4) Pandikar S.G. : Banking in India, Bombay 1975
- 5) S.K. Basu : Central Banking in Emerging Countries
- 6) C.R. Basu : Central Banking in a planned economy.
- 7) L.V. Chandler : Central Banking and the India experiment Tata Mc. Graw Hill Publishing Company
- 8) Prof.R.C.Joshi : Indian banking and currency –New popular prakashan (Gujarati)



## UNIVERSAL BANKING

Paper: 603(b)

Max. Marks: 50

PPW: 4T

Exam Duration: 2hrs

**UNIT-1:** Introduction to Financial Services ( Fund Based and Non Fund Based) Evolution of Universal Banking Commercial Banking Vs Development Banking , Sources and Uses of funds, Commercial banks and development banks Universal Banking in an open Economy. Universal Banking as a mix of commercial banking and development banking.

**UNIT-2:** Asset Liabilities Mismatch Possibilities. Risks in project Lending Short term nature of funding sources Off Balance sheet items and services The Development wing of the universal bank provides

**UNIT-3:** Entry of commercial Banks into Securities Business. Consumer finance. Merchant Banking Non Banking Investments and activities of Banks Universal Banking and future of small business lending

**UNIT-4:** Relevant Case Studies. Recent trends and challenges in Universal Banking in India. Impact of Globalization (FDI and FII) in the Indian Banking Sector.

### **Books Recommended:**

- 1) R. V. Shastri : Insurance In Universal Banking Paradigm
- 2) C.M.Vasudev : Univesal Banking in India
- 3) Y.V. Reddy : Monetary and Financial Reforms in India

## BUSINESS ETHICS AND CORPORATE GOVERNANCE

Paper: 604

Max. Marks: 50

PPW: 4T

Exam Duration: 2hrs

### **Objectives:**

- To understand ethical issues in business.
- To highlight the role of Corporate Governance practices in maintaining Transparency in business transactions.
- To highlight the importance of commitment to values and ethical conduct of Business.
- To increase awareness about the statutory and legal compliances involved in corporate governance

### **UNIT I: INTRODUCTION:**

Business Ethics: Meaning, Nature and sources. , Unfair Business Practices: features and Reasons. Whistle Blowing policy and Laws related to protection of Whistle Blower, Insider Trading, Clause 49. Values: Meaning, Types Teaching from scriptures like . Gita, Quran, Bible w.r.t Indian value systems in business.

### **UNIT II: Corporate Governance:**

Meaning, Principles, significance.  
Corporate Governance reports of Narayan Murthy Committee, Cadbury Committee, Kumar Mangalam Birla committee, Malhotra Committee., CII code, Narshiman Committee  
Corporate Governance in globalized Economy, Corporate Governance in banking and Financial Institutions, Good corporate governance.

### **UNIT III: Corruption:**

Meaning, Causes, Effects.  
Frauds and Scams in Banks, Insurance companies. Financial Markets  
( current case studies and supreme court judgments)  
Measures to overcome fraud and corruption  
Zero Tolerance of corruption  
Competition Act, Ethical Approach in IPR with respect to Designs,  
Patents and Copyrights , Ethics and IT..

### **UNIT IV: Code of conduct in Business Houses**

Meaning, Features of a good Code of Conduct, Conduct of conduct for Bank.  
**Corporate Social Responsibility:** Meaning, Scope and Significance.  
CSR of Business towards various groups and CSR towards social Organizations

**References:**

1. Business Ethics and Corporate Governance, S Prabakaran, Excel Books
2. Business Ethics: An Indian Perspective, A. C. Fernando, Pearson Education
3. Corporate Governance: Principles, Policies and Practices, A. C. Fernando, Pearson Education
4. Life Insurance In India: Opportunities, Challenges and Strategic Perspective, H Sadhak, Sage Publications
5. Ethics in Business & Corporate Governance, Smarajit Kr Mandal, TMH
6. S.K. Bhatia . " Business Ethics and Corporate Governance " Deep and Deep Publications
7. U.C. Mathur " Corporate Governance and Business Ethics : Text and Cases", Macmillan

# BUSINESS ECONOMICS

Max. Marks: 50

Paper: 605

Time: 2 Hrs.

PPW: 4T

**Objective:** To facilitate the students to learn the concepts of economics and apply them in real life situations.

## **UNIT I: INTRODUCTION:**

Economic and Non-Economic Activities—Nature and scope of Business Economics - Micro and Macro Economics - Positive and Normative—Inductive and Deductive Approaches—Reading of Graphs—Concept of Slope—Utility—Cardinal and Ordinal Utility—Law of Diminishing Marginal Utility—Law of Equi-Marginal Utility.

**Practicals:** The students are expected to distinguish between economic concepts and compute various utilities.

## **UNIT II: DEMAND, SUPPLY AND MARKET EQUILIBRIUM:**

Demand—meaning—individual demand—law of demand—properties of demand curve—income effect and substitution effect—exceptions to the law of demand—individual demand and Market Demand—demand function—determinants of demand and market demand—shift of demand vs. movement along a demand curve—Elasticity of demand—price elasticity—meaning and measurement—price elasticity and total revenue of a firm—income elasticity—classification of goods based on income elasticity—cross elasticity—classification of goods into substitutes and complements—Supply—law of supply—determinants of supply—market equilibrium—concept of consumer surplus.

**Practicals:** The students are expected to draw the various demand and supply curves and compute consumer's surplus.

## **UNIT III: PRODUCTION AND COSTS:**

Production function—Distinction between short-run and long-run—Production with one variable input—relationship between total, marginal and average production functions—law of variable proportion—production with two variable inputs—isoquants -isocosts—techniques of maximization of output, minimization of cost and maximization of profit—scale of production—economies and diseconomies of scale—Cost function—short-run total and average costs—long-run total and average cost.

**Practicals:** The students are expected to draw the various costs and revenue curves and compute costs and revenues.

## **UNIT IV: MARKET STRUCTURE AND FACTORS OF PRODUCTION:**

Market structure—characteristics—perfect competition—characteristics—equilibrium price—profit maximizing output in the short and long-run—Monopoly—characteristics—profit maximizing output in the short and long run—defects of monopoly—monopolistic competition—characteristics—product differentiation—profit maximizing price and output in the short and long-run—Oligopoly—characteristics—price rigidity—the kinked demand curve - Factors of Production.

**Practicals:** The students are expected to distinguish between concepts and draw curves.

#### **UNIT V: NATIONAL INCOME, TRADE CYCLES AND INTERNATIONAL TRADE:**

National Income—Definition- Measurement - GDP-meaning—Fiscal deficit—Economic systems- Socialism- Mixed economy system- Free market economies - Concepts of Economic Liberalization, privatization, Globalization- Recent trends; International Trade-Concepts – Comparative Cost Theory- Balance of Trade-Balance of payments; WTO—Objectives—Agreements—Functions; Trade cycles- Meaning- Phases- Consequences- Remedies.

**Practicals:** The students are expected to distinguish between concepts and compute incomes.

#### **References:**

1. Business Economics: Manab Adhikary – 2<sup>nd</sup>. Edition; Excel Books.
2. Stonier & Hague: "A Test Book of Economic Theory"
3. I.C.Dhingra: Business Economics
4. KPM Sundaram: Micro Economics
5. Pailwar: Economics Environment of Business. PHI
6. Mithani: Fundamentals of Business Economics, Himalaya
7. HL Ahuja: Business Economics, S.Chand
8. Mankiw: Principles of Economics, Cengage
9. M.L. Seth: International Economics
10. Joel Dean: Managerial Economics
11. Raj Agarwal: International Trade

606 - Banking Project  
607 - Insurance Project

## GUIDELINES FOR BANKING AND INSURANCE PROJECT

### INTERNSHIP (Seminar Presentation-30 Marks)

**Aim:** Aim of internship is to give an opportunity to the students to have practical exposure related to the job they prefer to do after the course. Internship helps to acquire practical knowledge by working in any organization (banking/insurance). Through working for one to two months in any organization of their choice, students should learn how to do routine work related to the functional area of their interest.

**Report:** A brief report of explaining their understanding and analysis of the organization they work should be presented.

### MAJOR PROJECT – 70 Marks

The students will prepare a major project on banking/insurance sectors. The guidelines for preparation of the major project are given below.

#### Guidelines for preparation of the Major Project

The Final Project is divided into two stages. Stage I and II and main Project report And Viva.

**Aim:** Aim of multi stage evaluation is to enable students do original work on their own so that they can get the benefit in terms of gaining practical knowledge and possible employment.

**Learning Outcome:** After following the three stages mentioned below for doing project work students should be able to:

1. Develop research design for their topic of research.
2. Understand the data requirements and collect data relevant for their research.
3. Analyse data and interpret results.

#### **Stage I : RESEARCH METHODOLOGY (Chapter I of the Main Report)**

Students should be advised to do final project on topics close to the job they prefer to do after the course. The faculty should guide them and focus on the methodology of doing a project so that the students can understand how to study the problems they come across while working. The following is the suggested check list for doing STAGE I of the project.

##### **Chapter I**

Brief Introduction:

Review of literature:

Research Gaps:

Research Questions:

Objectives of the study:

Hypotheses:

Scope of the study:

Period of the study:

Sample:

Data Collection:

Primary Data:

Secondary Data:

**Stage II: STATISTICAL ANALYSIS - (Chapter II of the main report)**

**Approach:** Students should collect data for the main project from CMIE Prowess DATABASE or any other source or from the field. Students are expected to use relevant statistical tools using either Excel, SPSS, MINI TAB, or R and make a Seminar Presentation. This will be the CHAPTER II : Data Analysis of the main report.

**Stage III MAIN PROJECT REPORT AND VIVA (Chapter III of the Main Report).**

In addition to the above two stages the students should write the third chapter on Data Interpretation,

Conclusion & Suggestions and submit the final report by including the following.

**REFERENCES:**

Appendix I: Questionnaire (if any).

Appendix II: Definition of concepts, models, formulas used in the report.

**NOTE:** FACULTY SHOULD ADVISE STUDENTS TO GIVE ONLY REFERENCES TO THE WEBSITES AND JOURNALS AND NOT TO DIRECTLY DOWNLOAD IN THE PROJECT REPORT. MAXIMUM 30% CAN BE DOWNLOADED AND REST SHOULD BE ORIGINAL.

After the submission of the report by consolidating the work done in stage 1, 2 and 3, an external viva will be held by the University to give the grade as per the University guidelines.

**In addition to the regular course, the students are trained on reasoning and aptitude to enable them face the competitive examinations.**