

**B.COM. II**  
**SEMESTER IV**  
**COMMERCE PAPER IV**  
**INTRODUCTION TO BANKING AND INSURANCE**  
Computer Code - \_\_\_\_\_  
4 Credits

**Objective:**

**To impart an understanding of Banking and Insurance Sector to Students.**

External Exam: 75 marks

Internal Exam: 25 marks

| Unit | Topic   | Lectures | Credits | Marks |
|------|---|----------|---------|-------|
| 1    | <p><b>INTRODUCTION TO BANKING</b><br/> Objective: To enable the students to understand the concept of Banking</p> <ul style="list-style-type: none"> <li>• Concept of a Bank, Evolution and Classification of Banks.</li> <li>• Primary and Secondary Functions of a Bank</li> <li>• Retail Banking Services – ATM, Internet Banking, Credit/Debit card etc.</li> <li>• Process of Credit Creation in Banks.</li> </ul>   | 15       | 1.0     | 25    |
| 2    | <p><b>ADVANCE BANKING FUCTIONS</b><br/> Objective: To make students understand various Banking Functions</p> <ul style="list-style-type: none"> <li>• Different types of Loans &amp; Advances</li> <li>• Objectives, Structure and Functions of Treasury</li> <li>• Key Risks: Interest Rate Risk, Market Risk, Credit Risk, Liquidity Risk &amp; Legal Operational Risk.</li> <li>• Micro Finance: Concept and Institutions. (Joint Liability Group, SHG etc)</li> </ul>   | 15       | 1.0     | 25    |
| 3    | <p><b>FUNDAMENTALS OF INSURANCE</b><br/> Objective: To acquaint the students with fundamentals of Insurance</p> <ul style="list-style-type: none"> <li>• Concept of Risk – Meaning &amp; Types</li> <li>• Insurance – Meaning and Benefits - Individual, Business and Society, Concepts of Premium, Compensation and Policy</li> <li>• Principles of Insurance – <ul style="list-style-type: none"> <li>✓ Life Insurance (Insurable Interest, Utmost Good Faith &amp; Co-operation)</li> <li>✓ General Insurance (besides all above three Subrogation, Indemnity, CausaProxima etc)</li> </ul> </li> <li>• Concepts of Annuity, Mortality, Reinsurance &amp; Bancassurance and its use in Insurance.</li> </ul> | 15       | 1.0     | 25    |

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| 4 | <p><b>WORKING AND TRENDS IN INSURANCE SECTOR</b><br/>Objective: To make students understand Working and Trends in Insurance Sector</p> <ul style="list-style-type: none"> <li>• Types of Insurance <ol style="list-style-type: none"> <li>1. Life Insurance – Meaning &amp; Features.</li> <li>2. General Insurance <ul style="list-style-type: none"> <li>✓ Fire Insurance – Meaning &amp; Features</li> <li>✓ Marine Insurance – Meaning &amp; Features</li> <li>✓ Miscellaneous Insurance – Meaning &amp; Features</li> </ul> </li> <li>3. Social Insurance – Concept</li> </ol> </li> <li>• Insurance Agent – Qualification, Rights, Duties and Commission Structure</li> <li>• Historical Trends – History up to Nationalization (LIC and General) – Developments up to 1999 and Role of IRDA</li> </ul> | 15 | 1.0 | 25 |
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**References:**

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