

A

AUDIT COURSE REPORT

ON

"Banking and Insurance"

SUBMITTED TO THE SAVITRIBAI PHULE PUNE UNIVERSITY, [LOCATION\_92]  
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS  
FOR THE AWARD OF THE DEGREE OF

BACHELOR OF ENGINEERING

INFORMATION TECHNOLOGY

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C E R T I F I C A T E

This is to certify that the Audit Course work entitled  
"Banking and Insurance"

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is a bonafide work carried out under the supervision of Dr. [PERSON\_84]. [PERSON\_84] and it is submitted towards the partial fulfillment of the requirements of Savitribai Phule Pune University, [LOCATION\_92] for the award of the degree of Bachelor of Engineering (Information Technology).

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Audit Course Guide

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Date:  
Place:

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## ■ABSTRACT

This report provides a comprehensive study of the Banking and Insurance systems in [LOCATION\_92] as part of the Audit Course curriculum. The report is structured to cover the fundamental aspects of banking operations, including the types of banks, their functions, and the relationship between bankers and customers. It explores various banking instruments such as cheques, bills of exchange, and promissory notes, along with their characteristics and applications.

The study also delves into different types of insurance policies, including life insurance, health insurance, and general insurance, highlighting their features, benefits, and claim procedures. Additionally, the report examines the concept of annuities, their types, and their role in financial planning.

Through this report, we aim to develop a practical understanding of banking transactions, insurance policy selection, and investment in annuities, thereby achieving the course outcomes of being able to carry out banking transactions independently, make informed decisions about insurance policies, and handle annuity investments and claim settlements.

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1. INTRODUCTION

1.1 Course Overview

The Audit Course on Banking and Insurance is designed to provide students with a practical and theoretical understanding of the [NRP\_51] banking system, negotiable instruments, insurance policies, and annuities. The course covers the structure and functions of different types of banks, various banking transactions, features and benefits of life and general insurance, and the principles of annuities. It aims to equip students with the knowledge to make informed financial decisions and handle basic banking and insurance operations confidently.

## 1.2 Course Objectives

The primary objectives of this course are to develop both conceptual clarity and practical skills in the domain of banking and insurance. Key objectives include:

- Understanding the structure, roles, and functions of banks in [LOCATION\_92]
- Learning about negotiable instruments such as cheques, bills of exchange, and promissory notes
- Exploring different types of insurance policies and their applications
- Gaining awareness about annuities and their role in financial planning

## 1.3 Course Outcomes

Upon completing this course, students are expected to:

- CO1: Differentiate between types of banks and understand their functions in the financial system

In addition to theoretical knowledge, students will be able to perform banking transactions independently, analyze and select suitable insurance policies, and manage investments in annuities.

- CO2: Execute routine banking operations efficiently
- CO3: Evaluate and choose appropriate insurance policies
- CO4: Understand and handle annuities and claim settlements

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## 1.4 Scope of the Report

This report presents a comprehensive study of the Audit Course syllabus, blending theoretical concepts with practical examples. It covers banking structures, negotiable instruments, insurance policies, and annuities in a structured and precise manner. The scope of this report ensures that students gain a holistic understanding of financial mechanisms in [LOCATION\_92], enabling them to apply their learning effectively in real-life banking and insurance scenarios.

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## 2. INTRODUCTION TO BANKING

### 2.1 Definition of Bank

A bank is a financial institution that accepts deposits from the public and creates credit, acting as an intermediary between depositors and borrowers. Regulated by the Reserve Bank of India (RBI), banks play a vital role in the economic development of the country by facilitating smooth financial transactions and supporting growth.

### 2.2 Basic Functions of Banker

Banks perform several essential functions, classified into primary and secondary functions:

#### 2.2.1 Primary Functions

- Accepting deposits from individuals and institutions
- Granting loans and advances to individuals, businesses, and industries
- Credit creation through the lending process

#### 2.2.2 Secondary Functions

- Agency services such as collection and payment of cheques, dividends, and bills
- Utility services like locker facilities, traveler's cheques, and letters of credit
- Foreign exchange transactions
- Investment services

### 2.3 Banking System in [LOCATION\_92]

The [NRP\_51] banking system is hierarchical and well-structured, consisting of the Reserve Bank of [LOCATION\_92] (RBI), commercial banks, cooperative banks, and regional rural banks.

#### 2.3.1 Reserve Bank of India (RBI)

The central bank of [LOCATION\_92] regulates all banking activities and manages monetary policy, currency issuance, banking supervision, and foreign exchange reserves.

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### 2.3.2 Commercial Banks

Commercial banks include:

- Public Sector Banks: Government-owned, e.g., State Bank of India
- Private Sector Banks: Privately owned, e.g., HDFC Bank
- Foreign Banks: Headquartered abroad, e.g., Citibank, HSBC

### 2.3.3 Cooperative and Regional Rural Banks

Cooperative banks serve specific communities, while regional rural banks focus on banking services in rural and semi-urban areas.

## 2.4 Retail and Wholesale Banking

Retail Banking provides services to individual customers, including savings/current accounts, personal/home loans, credit/debit cards, and ATM services.

Wholesale Banking caters to large organizations, governments, and other banks, offering corporate loans, trade finance, treasury services, and cash management.

## 2.5 Banker and Customer Relationship

The relationship between a banker and customer can be classified as:

- Debtor-Creditor: Deposits create debtor-creditor relationships; loans reverse the roles
- Trustee-Beneficiary: Banks hold valuables in lockers as trustees
- Agent-Principal: Banks act as agents in collecting cheques, bills, or dividends
- Bailee-Bailor: Banks safeguard securities or documents deposited by customers

Special types of customers include minors, partnership firms, companies, joint [NRP\_51] fam-

ilies, trusts, and societies, each with specific account rules and documentation requirements.

## 2.6 Deposit Accounts

**Savings Accounts:** For individual savings, interest-bearing, limited withdrawals, minimum balance required.

**Current Accounts:** For business transactions, non-interest bearing, unlimited withdrawals, overdraft facility.

**Fixed Deposit Accounts:** Money deposited for fixed periods, higher interest, premature withdrawal allowed with penalty.

**Recurring Deposit Accounts:** [DATE\_TIME\_91] deposits for fixed tenure, interest paid at maturity, encourages systematic savings.

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## 2.7 Opening and Operation of Accounts

**Account Opening Procedure:** Fill form, submit KYC documents, photographs, initial deposit, and specimen signature.

**KYC Requirements:** Mandatory for identity verification, prevention of fraud, money laundering, and terrorist financing. Proof of identity and address required.

**Nomination:** Facility to appoint a person to receive proceeds in case of account holder's death, can be updated anytime.

**Pass Book:** Record of all transactions, must be updated regularly, serves as proof of transactions.

## 2.8 Course Outcome Mapping

This unit primarily addresses CO1: Differentiating between types of banks and understanding their working, by providing detailed knowledge of banking systems, account types, and banker-customer relationships.



### 3. BANK FUNDS AND INSTRUMENTS

#### 3.1 Employment of Bank Funds

Banks mobilize deposits and deploy funds to earn income while ensuring liquidity and safety. Key categories of fund employment include liquid assets, investments, and advances.

##### 3.1.1 Liquid Assets

**Cash in Hand:** Physical cash kept in branches for [DATE\_TIME\_91] transactions; ensures withdrawal demands are met and CRR/SLR norms are maintained.

**Cash with RBI:** Portion of deposits maintained as Cash Reserve Ratio (CRR) and statutory liquidity ratio (SLR); ensures liquidity and regulatory compliance.

**Cash with Other Banks:** Includes inter-bank deposits and nostro accounts; used for clearing and settlement purposes.

##### 3.1.2 Investment in Securities

Banks invest surplus funds in government securities, treasury bills, corporate bonds, debentures, and mutual funds, generating interest income while managing risk.

##### 3.1.3 Advances

Advances are the primary source of income for banks.

**Secured Advances:** Backed by collateral, lower interest, e.g., home loans, vehicle loans.

**Unsecured Advances:** No collateral, higher interest, e.g., personal loans, credit card loans; repayment depends on borrower's creditworthiness.

#### 3.2 Types of Advances

**Loans:** Lump sum disbursed, repaid via EMIs, fixed/floating interest rates, e.g., education loans, personal loans.

**Term Loans:** Long-term loans for capital expenditure, repaid in installments, e.g., indus-

trial loans.

Cash Credit: Working capital facility with sanctioned limit; interest on utilized amount.

Overdraft: Withdraw more than balance, interest on [DATE\_TIME\_91] outstanding, flexible repayment.

Discounting of Bills of Exchange: Bank purchases bills before maturity, deducts discount,

provides liquidity, common in trade finance.

### 3.3 Modes of Creating Charge on Securities

Pledge: Goods delivered to bank; bank retains possession.

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Hypothecation: Borrower retains possession; bank has right to take control on default.

Mortgage: Interest in immovable property transferred; ownership remains with borrower.

[PERSON\_84]: Right to retain securities until debt is paid; can be particular or general.

Assignment: Transfer of actionable claims, e.g., FDs, life insurance policies.

### 3.4 Types of Securities

Tangible Securities: Gold, jewelry, land, buildings, vehicles, machinery.

Intangible Securities: Fixed deposits, life insurance policies, shares, debentures, government securities, book debts, intellectual property rights.

### 3.5 Negotiable Instruments

A negotiable instrument guarantees payment of a specified sum to a person or bearer. Key types include:

Cheques: Payable on demand, drawn on banker; parties: drawer, [LOCATION\_92], payee; types include bearer, order, crossed, open, stale, post-dated, self cheques.

Bills of Exchange: Unconditional written order to pay sum to a specified person or bearer; parties: drawer, [LOCATION\_92], payee; types: inland, foreign, time, demand bills.

Promissory Notes: Written promise to pay; parties: maker (debtor), payee (creditor); char-

acteristics: written, signed, unconditional promise, specify amount and date.

### 3.6 Crossings and Endorsements

Crossings: Security feature for cheques ensuring payment through banks. Types: general, special, account payee, not negotiable.

Endorsements: Signing back of instrument to transfer rights. Types: blank, full, partial (invalid), conditional, restrictive, sans recourse.

### 3.7 Collection and Payment of Cheques

Collection: Customer deposits cheque → bank sends to [LOCATION\_92] verification → amount credited; banks act as collecting agents.

Payment: Banker pays cheque if properly drawn, sufficient balance, verified signature, and compliance with crossings; protected under Section 85.

Dishonor: Reasons include insufficient funds, signature mismatch, stale/post-dated cheque, stop payment; bank returns cheque with reason code.

### 3.8 Liabilities of Parties

Drawee/Acceptor: Primary liability to pay, must honor accepted bills.

Endorser: Liable if dishonor occurs, must be notified, unless sans recourse.

Holder: Must present instrument timely, notify dishonor, holder in due course has special protection.

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### 3.9 Course Outcome Mapping

This unit addresses CO1 and CO2 by providing knowledge on bank fund deployment, advances, and negotiable instruments, enabling students to understand operations and independently carry out banking transactions.

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4. INSURANCE

4.1

Introduction to Insurance

Insurance is a contract where the insurer agrees to compensate the insured for financial losses from specified uncertain events, in return for a premium.

4.1.1 Principles of Insurance

**Utmost Good Faith (Uberrima Fides)** Both parties must disclose all material facts. Non-disclosure can void the contract, applicable before and during the policy.

**Insurable Interest** The insured must have financial interest in the subject matter at the time of contract to prevent insurance being used as gambling.

**Indemnity** Insurer compensates actual loss only. The insured cannot profit from insurance; applicable to non-life insurance.

**Subrogation** After settlement, the insurer can recover from third parties responsible for loss, preventing double recovery.

**Contribution** If multiple policies cover the same risk, insurers share the loss proportionally, preventing over-insurance.

**Proximate Cause** Loss must result from the insured peril; the nearest and most effective cause determines liability.

**Loss Minimization** The insured must take reasonable care to minimize loss and avoid negligence.

4.2 Types of Insurance

4.2.1 Life Insurance

Provides financial protection to family in case of death or survival benefits on maturity.

## Term Insurance

- Pure risk cover for specific term ([DATE\_TIME\_91])
- Lowest premium, death benefit only
- No maturity benefit
- Suitable for maximum coverage at low cost
- Tax benefits: Sec 80C deduction; 10(10D) tax-free death benefit

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Endowment Plans

- Combines protection and savings
- Higher premium than term insurance
- Death benefit plus maturity sum assured with bonus
- Suitable for protection and savings

Whole Life Insurance

- Coverage for entire life
- Moderate premium
- Death benefit guaranteed; maturity only at age 100
- Suitable for lifelong protection

Money Back Plans

- Periodic survival benefits
- Higher premium than endowment
- Death benefit: full sum assured

- Maturity: remaining sum assured plus bonus

#### Unit Linked Insurance Plans (ULIPs)

- Insurance + market-linked investment
- Part premium for insurance, part for investment
- Returns not guaranteed; fund switching allowed
- Lock-in: [DATE\_TIME\_91]
- Suitable for risk-takers

#### Pension/Annuity Plans

- Provides retirement income
- Build corpus through premiums
- Annuity options: life, joint-life, certain
- Tax benefits under Section 80CCC

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##### Child Plans

- Secures future education/marriage
- Premiums waived on parent's death
- Payouts at milestones

#### 4.2.2 Health Insurance

Covers medical expenses due to illness or injury.

##### Individual Health Insurance

- Single person coverage
- Sum insured: Rs. 1 lakh–1 crore+

- Hospitalization, pre/post-hospitalization, day care procedures
- Cashless facility at network hospitals

#### Family Floater

- Single sum insured for entire family
- Cost-effective; any member can use full sum

#### Senior Citizen Health Insurance

- Age 60+
- Covers age-related ailments
- Higher premium; pre-existing diseases post waiting period

#### Critical Illness Insurance

- Covers specified critical illnesses
- Lump sum payout on diagnosis
- Funds can be used freely

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#### 4.2.3 General Insurance

#### Motor Insurance

- Third-party: mandatory; liability cover
- Comprehensive: own damage + third-party
- Own damage covers theft, accident, natural calamities
- Add-ons: zero depreciation, engine protection, NCB protection

#### Home Insurance

- Structure and contents coverage
- Covers fire, earthquake, flood, theft, burglary
- Third-party liability included; optional add-ons available

#### Fire Insurance

- Covers loss/damage by fire
- Extended coverage: explosion, lightning, aircraft damage

#### Marine Insurance

- Marine hull (ship) and cargo (goods) coverage
- Covers sinking, collision, piracy, natural calamities
- Policy types: voyage, time, mixed

#### Travel Insurance

- Covers medical, trip cancellation, baggage loss, personal accident, emergency evacuation

#### Personal Accident Insurance

- Death, permanent/temporary disability, medical expenses due to accident

### 4.3 Policy Terms and Features

Premium: Amount paid; frequency can be [DATE\_TIME\_91]; based on age, health, sum insured, term. Sum Insured: Maximum payable; determines premium. Policy Term: Coverage duration; requires renewal. Grace Period: Extra time to pay; policy remains active. Lapse Revival: Lapse terminates policy; revival possible within [DATE\_TIME\_91] with arrears and medical check. Surrender Value: Amount on premature termination; guaranteed or special; lower than maturity value. Free Look Period: [DATE\_TIME\_91] to review policy; full refund minus expenses. Bonus: Reversionary (yearly) or terminal (at maturity/death); non-guaranteed. Rider Benefits: Accidental death, critical illness, waiver of premium, hospital cash, income benefit.

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#### 4.3.1 Exclusions

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Life Insurance: Suicide within [DATE\_TIME\_91], death during crime or non-commercial aviation, undisclosed pre-existing conditions. Health Insurance: Pre-existing diseases (waiting period), cosmetic surgery, self-inflicted injury, drug/alcohol abuse, war/nuclear risks, maternity (unless covered).

#### 4.4 Claim Settlement Process

Life Insurance: Death Claim: Submit policy, claim form, death certificate, medical/post-mortem reports, FIR (if needed), nominee ID, cancelled cheque. Maturity Claim: Submit policy, discharge form, ID, cancelled cheque; amount credited.

Health Insurance: Cashless: Network hospital admission → pre-authorization → treatment → insurer settles. Reimbursement: Pay bills → submit claim form with receipts → insurer reimburses.

Motor Insurance: Accident: Inform police → insurer → survey → repair → settlement.

Theft: FIR → insurer → investigation → claim if vehicle unrecovered after [DATE\_TIME\_91].

#### 4.5 Regulatory Framework

IRDAI: Established [DATE\_TIME\_91]; regulates insurers, protects policyholders, issues guidelines. Ombudsman Scheme: Free grievance redressal; complaints up to Rs. 50 lakh; binding if policyholder accepts.

#### 4.6 Tax Benefits

Life Insurance: Sec 80C premium deduction, Sec 80D health insurance, Sec 10(10D) tax-free maturity/death proceeds; premium 10Health Insurance: Sec 80D: Rs. 25,000 for self/spouse/children, additional Rs. 25,000 for parents (Rs. 50,000 if senior citizens); preventive care up to Rs. 5,000.

#### 4.7 Decision Framework for Buying Insurance

Life Insurance: Consider age, health, dependents, liabilities, financial goals, risk appetite, premium budget. Coverage: Human Life Value ( $\text{Income} \times \text{working years}$ ), Needs-based ( $\text{Liabilities} + \text{future expenses} - \text{assets}$ ); recommended 10–15x annual income.

Health Insurance: Consider age, pre-existing conditions, hospital network, claim ratio, co-payment, room rent, restoration, NCB. Coverage: Minimum Rs. 5 lakh per person; Rs. 10–20 lakh for [LOCATION\_92]; account for medical inflation; top-up policies optional.

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### 4.8 Course Outcome Mapping

This unit addresses CO3: Decide appropriate insurance policies using knowledge of types, features, exclusions, claims, tax benefits, and decision frameworks.

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## 5. ANNUITIES

### 5.1

#### Introduction to Annuities

An annuity is a financial contract that provides a series of periodic payments made at regular intervals. Typically, an individual invests a lump sum or a series of payments and receives regular disbursements either immediately or after a deferred period. Annuities are commonly used for retirement planning to ensure a predictable income stream.

Key terms include: the annuitant (person receiving payments), annuity period (time between successive payments), term of annuity (duration of payments), present value (current worth of future payments), and future value (accumulated value at a future date).

#### 5.2 Types of Annuities

##### 5.2.1 Based on Payment Timing

Immediate annuities start payouts soon after the investment, suitable for retirees needing instant income. Deferred annuities allow accumulation over time and begin payouts after a specified period, making them ideal for long-term retirement planning.

##### 5.2.2 Based on Duration

Life annuities provide payments until the annuitant's death, offering maximum regular income but no returns to heirs. Annuities certain guarantee payments for a fixed period, regardless of life, providing security to family members. Variants like life annuity with return of purchase price or with guaranteed period combine lifetime payments with protection for beneficiaries.

##### 5.2.3 Based on Number of Lives

Single life annuities cover only one person, while joint life last survivor annuities extend payments until the death of the last surviving annuitant, often used by married couples. Payment

amounts are lower but provide ongoing family security.

#### 5.2.4 Based on Payment Amount

Level annuities offer fixed payments, increasing annuities rise over time to counter inflation, and decreasing annuities reduce payouts gradually, suited for declining expenses.

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#### 5.2.5 Based on Premium Payment

Annuities can be funded through a single premium (one-time investment) or regular premiums, which gradually build the corpus.

### 5.3 Features, Advantages, and Disadvantages

Annuities provide regular income, longevity protection, and tax benefits (Section 80CCC), with minimal market risk. Advantages include financial security and predictable income, but they suffer from lower returns compared to equity, limited liquidity, and potential inflation risk.

### 5.4 Annuity Rates and Calculations

Rates depend on age, gender, interest rates, annuity type, and payment frequency. For example, a [DATE\_TIME\_91] male investing Rs. 50 lakhs may receive [DATE\_TIME\_91] payouts ranging from Rs. 30,000 to Rs. 42,000 depending on the chosen annuity option.

### 5.5

Investing in Annuities

Annuities are ideal at retirement or when receiving lump sums. The purchase process involves assessing income needs, comparing rates, selecting the annuity type, submitting KYC documents, and paying the purchase price. Key considerations include income requirements, inflation protection, family needs, health status, and liquidity.

### 5.6 Government-Sponsored Annuities

National Pension System (NPS): A voluntary (mandatory for government employees) retirement scheme regulated by PFRDA, offering market-linked returns, multiple investment options, and tax benefits under Sections 80CCD(1), (1B), and (2). At maturity, at least 40

Atal Pension Yojana (APY): Targeted at unorganized sector workers, APY provides guaranteed pensions ranging from Rs. 1,000 to Rs. 5,000 per month, with the government co-

contributing under certain conditions. Benefits include lifelong pension for the subscriber and spouse and corpus return to nominees.

## 5.7 Annuity vs Other Retirement Options

Compared to fixed deposits and mutual funds, annuities offer guaranteed income and protection against longevity risk but lower liquidity and limited inflation protection.

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## 5.8 Claim Settlement

For regular annuities, payments are credited automatically to bank accounts.

In cases like

annuity with return of purchase price, joint life annuities, or annuities certain, documentation including death certificates and claim forms is required. Most annuities cannot be surrendered once started, though some allow surrender during the free-look or deferred period. Common claim issues arise from incomplete documents or unregistered nominations.

## 5.9 Practical Considerations

Optimal strategies include laddering annuities at different ages to benefit from rising interest rates, diversification across insurers, and partial annuitization to maintain liquidity and inflation protection.

Case Studies:

Conservative retiree: Focus on life annuity, some FDs and balanced funds for growth and liquidity.

Married couple: Joint life annuity ensures spouse protection, combined with FDs and mutual funds.

Young retiree with dependents: Deferred annuity, systematic withdrawals till annuity start, guaranteeing family protection.

## 5.10 Future Trends

Annuities are evolving with variable, healthcare-linked, and longevity-focused products, digital platforms, and flexible payouts. Regulatory improvements are enhancing standardization, consumer protection, and portability.

## 5.11 Course Outcome Mapping

This chapter addresses CO4, enabling learners to understand investing in annuities and claim procedures, types of annuities, investment strategies, and practical considerations.

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## 6. CONCLUSION

### 6.1 Key Learnings

The Audit Course on Banking and Insurance has provided a thorough understanding of core financial concepts:

**Banking System:** We learned about the structure and functioning of [NRP\_51] banks, different types of deposit accounts, banker-customer relationships, KYC requirements, and the deployment of bank funds through loans and investments.

**Negotiable Instruments:** The course covered cheques, bills of exchange, promissory notes, their characteristics, crossings, endorsements, collection procedures, and the liabilities of parties involved.

**Insurance:** We gained insight into life, health, and general insurance, including principles, features, benefits, limitations, policy selection, and claim settlement processes.

**Annuities:** We explored various annuity types, factors affecting selection, retirement investment strategies, government schemes such as NPS and APY, and claim settlement procedures.

### 6.2 Practical Applications

The knowledge gained enables practical application in [DATE\_TIME\_91] financial management:

**Banking Transactions:** Confidently operate accounts, utilize banking services, and handle deposits and withdrawals.

**Negotiable Instruments:** Use cheques and other instruments securely while understanding legal implications.

**Insurance Planning:** Make informed decisions about life and health policies and manage

claims efficiently.

Retirement Planning: Evaluate annuity options, plan retirement income, and manage investments strategically.

### 6.3 Achievement of Course Outcomes

CO1 – Types of Banks: Differentiated public, private, cooperative, and regional rural banks, understanding their functions and regulatory roles.

CO2 – Banking Transactions: Gained ability to perform account operations, handle deposits/withdrawals, and use negotiable instruments independently.

CO3 – Insurance Policy Selection: Can now assess insurance policies based on individual needs and make informed choices.

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CO4 – Annuities and Claim Settlements: Learned to evaluate annuities, invest wisely, and handle claims effectively.

### 6.4 Personal Financial Planning Insights

The course highlighted the importance of early planning, risk management through insurance, retirement income security, tax-efficient investments, record-keeping, and understanding financial rights and responsibilities.

### 6.5 Way Forward

With this foundation, we can:

- Make sound personal financial decisions
- Understand and utilize financial products effectively
- Protect ourselves and families through insurance
- Plan for a secure retirement
- Stay updated with financial regulations
- Promote financial literacy among others

## 6.6 Final Remarks

Banking and insurance are pillars of modern financial systems, essential for personal wealth management and broader economic stability. This course has equipped us with practical knowledge to make informed decisions, secure our financial future, and adapt to evolving financial landscapes. Continuous learning will ensure we stay abreast of regulatory changes, technological advancements, and product innovations, strengthening our ability to navigate complex financial environments effectively.

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A. Sample Banking Forms

This appendix provides samples of commonly used banking forms to aid understanding of



banking procedures.

#### A.1 Account Opening Form

A typical account opening form collects personal, contact, and financial details of the customer. It also includes the type of account requested and the necessary KYC documentation.

#### A.2 KYC Form

Know Your Customer (KYC) form is required for identity and address verification. It ensures compliance with banking regulations and prevents fraudulent activities.

#### A.3 Nomination Form

Nomination form (DA1) allows the account holder to designate a nominee who will receive the funds in case of the account holder's demise.

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#### B. Sample Insurance Forms

Insurance forms standardize the process of applying for policies and claiming benefits.

##### B.1 Life Insurance Proposal Form

This form collects details about the applicant's personal information, health, and the sum assured. It helps insurers assess risk before issuing the policy.

##### B.2 Health Insurance Claim Form

A structured form used to submit health-related expenses for reimbursement under a health insurance policy. Includes treatment details and supporting documents.

##### B.3 Death Claim Form

Submitted by beneficiaries to claim life insurance benefits. Requires policy details, proof of death, and supporting documentation.

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#### C. Sample Annuity Documents

Annuity documents facilitate investment and payout processes.

##### C.1 Annuity Purchase Form

Used to invest in annuity products. Captures investment amount, preferred payout frequency, and annuitant details.

##### C.2 Annuity Claim Form

Form to claim annuity payments upon reaching the vesting age or in case of deferred payouts.

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#### D. Important Addresses and Contact Information

Key regulatory bodies and grievance redressal mechanisms for banking and insurance.

##### D.1 Regulatory Bodies

- Reserve Bank of India: Central Office, [PERSON\_84] Singh Road, [LOCATION\_92] - [US\_DRIVER\_LICENSE\_104]

Website: [URL\_96]; Toll Free: [PHONE\_NUMBER\_99]

- Insurance Regulatory and Development Authority of India: Nanakramguda, Hyderabad - [US\_DRIVER\_LICENSE\_104]; Website: [URL\_96]; Toll Free: [US\_DRIVER\_LICENSE\_104]

- Pension Fund Regulatory and Development Authority: [PERSON\_84], [LOCATION\_92] - [US\_DRIVER\_LICENSE\_104]; Website: [URL\_96]; Toll Free: [PHONE\_NUMBER\_99]

##### D.2 Grievance Redressal

- Banking Ombudsman: Various regional offices; Website: [URL\_96].

in

- Insurance Ombudsman: 17 offices across [LOCATION\_92]; Website: [URL\_96]oins.  
[URL\_96]; Toll Free: [US\_DRIVER\_LICENSE\_104]

- National Consumer Helpline: Toll Free: [DATE\_TIME\_91]; Website: https:  
//[URL\_96]

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E. Glossary of Terms

E.1 Banking Terms

Some key banking terms explained concisely:

- CRR: Cash Reserve Ratio – percentage of deposits banks must keep with RBI.
- SLR: Statutory Liquidity Ratio – portion of deposits invested in government securities.
- RTGS: Real Time Gross Settlement – instant large-value fund transfer system.
- NEFT: National Electronic Funds Transfer – electronic fund transfer system.
- IMPS: Immediate Payment Service – 24×7 instant transfer.
- NPA: Non-Performing Asset – loan with overdue payments.
- EMI: Equated [DATE\_TIME\_91] – regular repayment for loans.
- CASA: Current Account Savings Account – low-cost deposits for banks.

E.2

Insurance Terms

- Premium: Amount paid for coverage.
- Sum Assured: Maximum payable amount.
- Nominee: Person designated to receive policy benefits.

- Maturity: End of policy term.
- Surrender: Premature policy termination.
- Rider: Additional benefit attached to a policy.
- Claim: Request for payment under the policy.
- Underwriting: Assessment of insurance risk.

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E.3 Annuity Terms

- Annuitant: Recipient of annuity payments.
- Vesting: Age when annuity begins.
- Purchase Price: Amount invested.
- Annuity Rate: Percentage return on investment.
- Commutation: Partial withdrawal from pension.
- Deferment Period: Gap between investment and payout.

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