

**S.Y.B.Com**

**Principles and Practice of Insurance**

Objectives---

1. To have a comprehensive understanding of insurance industry with key inputs
2. To understand insurance as an integral part of finance.
3. To learn about the importance of insurance, and also basic insurance concepts.
4. To acquaint the students with risk management process and how the insurance industry operates.

**SEMESTER-III**

**Unit –1-Introduction to insurance**

Insurance-- Definition and basic concepts-Need for and Importance of insurance

Nature of insurance—Benefits of Insurance- Origin and Development of Insurance-

Principles of insurance-Utmost good Faith- Insurable interest- indemnity- Contribution-

Subrogation-Proximate cause-Reinsurance-Purpose and Types of Reinsurance--Double insurance

(15)

**Unit-2-Risk management**

Concept of risk—Risk v/s uncertainty--Types of risks-Pure and Speculative risks-Internal and External risks-Fundamental and Particular risks-Static and Dynamic risks-Insurable and Non

insurable risks-objectives and Importance of risk management- Risk management process—  
Methods of handling risks--Risk identification (15)

### **Unit-3-Life Insurance**

Classification of Insurance-Life insurance-Origin and Development of life insurance--Features of life insurance contract—Advantages of life insurance—Types of Life insurance plans –Whole life insurance-Term insurance-Endowment and Money Back policies-Unit linked insurance plan-Children plans-Group life insurance-Annuities and Pensions-Riders-Calculation of premium-Surrender value and paid up value of policy. (8)

### **Unit-4-General Insurance**

General insurance-Essentials of General insurance contract-Role of General insurance in Economic & development- Fire insurance-Principles of fire insurance-Types of fire insurance policies--Marine insurance-Scope of marine insurance--Principles of Marine insurance-Marine insurance policies--Motor insurance-Kinds of motor vehicle insurance policies-- Health insurance—Types of health insurance policies-Social insurance –Crop insurance-Burglary insurance-Engineering insurance. (7)

## **SEMESTER -IV**

### **Unit—4 Legal framework**

Indian Contract Act 1872—Essential elements of a valid contract-Insurance Act 1938—Registration-Nomination and Assignment-LIC Act 1956-Functions of Corporation--General Insurance Business(Nationalisation)Act 1972- Objectives of the Act-Functions of GIC- IRDA Act 1999—Powers and functions of IRDA-Consumer Protection Act—Insurance Ombudsman Scheme-Types of insurance organizations (12)

### **Unit—5-Channels of Distribution**

Insurance intermediaries-Agents-Functions of Agents-Procedure for becoming an agent—

Brokers-Functions of Broker –Difference between Insurance Agent and an Insurance Broker--  
Corporate Agents-Bancassurance-Advantages of Bancassurance- Bancassurance Models-  
Bancassurance in India--- E-marketing OF INSURANCE. (12)

#### **Unit-6-Policy servicing and claims settlement**

Procedure for obtaining policy in life and General insurance -Claim settlement procedure In life insurance ,Fire insurance and Motor insurance -Maturity claims in life insurance-Underwriting – Purposes of underwriting-The underwriting process-Types of underwriters-Role of Actuary– Duties of an Actuary (11)

#### **Unit—7—Indian Insurance Industry: Transition and prospects**

Reforms in the Indian Insurance sector —Malhotra committee-Positive and negative impacts of liberalization on the insurance industry—Privatisation of Insurance sector- Micro insurance- Models of micro insurance—Case studies in Insurance. (10)

Books for Reference: ---

1. Modern concepts of Insurance—M.N. Mishra-S.Chand and Co. Ltd
2. Elements of Banking and Insurance- Jyotsna Sethi & Nishwan Bhatia
3. Insurance-Fundamentals, Environment and Procedures-B.S.Bodla, M.C. Garg , K.P.Singh—Deep and Deep Publications Pvt Ltd.
4. Risk Management & Insurance- Concepts and Practices of Life and General Insurance-S. Arunajatesan & T.R. Viswanathan
5. Insurance Theory and practice—N.K. Sharma—DND Publications
6. Insurance-Principles and Practices—M.J. Mathew-Jaico Publishers

## **Question Paper Pattern**

### **Semester 3**

• 40 MARKS- Internal

•60 MARKS- Semester End Exam: TWO Hours

All Questions are compulsory

Figures to the right indicate marks.

Maximum marks 60. Duration: 2 hrs.

Q1. Answer any 2 from the following: a.b.c.-Module 1	Marks	15
Q2. Answer any 2 from the following: a.b.c.-Module 2	Marks	15
Q3. Answer any 2 from the following: a.b.c.-Module 3	Marks	15
Q4. Answer any 2 from the following: a.b.c.-Module 4	Marks	15

#### Semester 4

- 40 MARKS- Internal
- 60 MARKS- Semester End Exam: TWO Hours

All Questions are compulsory

Figures to the right indicate marks.

Maximum marks 60. Duration: 2 hrs.

Q1. Answer any 2 from the following: a.b.c.-Module 5	Marks	15
Q2. Answer any 2 from the following: a.b.c.-Module 6	marks	15
Q3. Answer any 2 from the following: a.b.c.-Module 7	Marks	15
Q4. Answer any 2 from the following: a.b.c.- Module 8	Marks	15

