

1	Name of Syllabus	C. C. IN INSURANCE MANAGEMENT (408119)																																															
2	Max.Nos of Student	25 Students																																															
3	Duration	6 Month																																															
4	Type	Part Time																																															
5	Nos Of Days / Week	6 Days																																															
6	Nos Of Hours /Days	4 Hrs																																															
7	Space Required	Workshop = 400 Sq feet <u>Class Room = 200 Sq feet</u> TOTAL = 600 Sq feet																																															
8	Entry Qualification	Graduate																																															
9	Objective Of Syllabus/ introduction	To provide systematic training in insurance management																																															
10	Employment Opportunity	Job opportunities insurance establishments, can work insurance manager, agent etc																																															
11	Teacher’s Qualification	Diploma in concern subject.																																															
12	Training System	<table><tr><th colspan="4">Training System Per Week</th></tr><tr><td>Theory</td><td>Practical</td><td colspan="2">Total</td><td colspan="2"></td></tr><tr><td>6 Hours</td><td>18 Hours</td><td colspan="2">24 Hours</td><td colspan="2"></td></tr></table>						Training System Per Week				Theory	Practical	Total				6 Hours	18 Hours	24 Hours																													
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13	Exam. System	<table><tr><th>Sr. No.</th><th>Paper Code</th><th>Name of Subject</th><th>TH/PR</th><th>Hours</th><th>Max. Marks</th><th>Min. Marks</th></tr><tr><td>1</td><td>40811911</td><td>PRINCIPLES AND PRACTICE OF INSURNCE - I</td><td>TH-I</td><td>3 hrs</td><td>100</td><td>35</td></tr><tr><td>2</td><td>40811912</td><td>PRINCIPLES AND PRACTICE OF INSURNCE - II</td><td>TH-II</td><td>3 hrs</td><td>100</td><td>35</td></tr><tr><td>3</td><td>40811921</td><td>PRINCIPLES AND PRACTICE OF INSURNCE - I</td><td>PR-I</td><td>3 hrs</td><td>100</td><td>50</td></tr><tr><td>4</td><td>40811922</td><td>PRINCIPLES AND PRACTICE OF INSURNCE - II</td><td>PR-II</td><td>3 hrs</td><td>100</td><td>50</td></tr><tr><td></td><td></td><td>Total</td><td></td><td></td><td>400</td><td>170</td></tr></table>						Sr. No.	Paper Code	Name of Subject	TH/PR	Hours	Max. Marks	Min. Marks	1	40811911	PRINCIPLES AND PRACTICE OF INSURNCE - I	TH-I	3 hrs	100	35	2	40811912	PRINCIPLES AND PRACTICE OF INSURNCE - II	TH-II	3 hrs	100	35	3	40811921	PRINCIPLES AND PRACTICE OF INSURNCE - I	PR-I	3 hrs	100	50	4	40811922	PRINCIPLES AND PRACTICE OF INSURNCE - II	PR-II	3 hrs	100	50			Total			400	170
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# **PRINCIPLES AND PRACTICE OF INSURANCE - I**

## **THEORY - I AND PRACTICAL - I**

### **Life Insurance**

#### **Introduction**

Need for security against economic difficulties: Risk and uncertainty, Individual value system; Individual Life Insurance. Nature and uses of Life Insurance: Life Insurance as a collateral, as a measure of financing business continuation. As a protection to property, as a measure of investment.

#### **Life Insurance Contract-**

Distinguishing characteristics, Utmost Good Faith, Insurable Interest, Caveat Emptor, unilateral and aleatory nature of contract. Proposal and application form, warranties, medical examination, policy construction and delivery, policy provision, lapse revival, surrender value, paid-up policies, maturity, nomination and assignment. Suicide and payment of insured amount, Loan to policy holders.

#### **Life Insurance Risk**

Factors governing sum assured. Methods of calculating economic risk in life insurance proposal. Measurement of risk and mortality table. Calculation of premium. Treatment of sub-standard risks, Life Insurance Fund, Valuation and investment of surplus, Payment of bonus.

#### **Life Insurance Policies**

Types and their applicability to different situations. Important Life insurance Policies issued by the Life Insurance Corporation of India. Life insurance enquiries. Important legal provisions and judicial pronouncements in India.

#### **Life Insurance Salesmanship-**

Rules of agency: Essential qualities of an ideal insurance salesman, Rules to canvass business from prospective customers: After sale service to policy holders.

#### **General Insurance**

1. Introduction to risk and insurance
  - (a) risk (b) The treatment of risk
2. The structure and operation of the insurance business.
  - a) Insurance contract fundamentals
  - b) Insurance marketing
  - c) Insurance loss payment
  - d) Underwriting, rating, reinsurance and other functions.
3. General Insurance Corporation and other Insurance Institutions.  
Working of GIC in India; Types of risks assumed and specific policies issued by ECGC.
4. **Health Insurance:**
  - a. A) Individual health insurance
  - b. Group health insurance

## **5. Motor Insurance**

6. Multiple line and All Lines Insurance-Such as Rural Insurance- Full Insurance, etc.

Fire and Marine Insurance

Fire Insurance Contract

Origin of fire insurance; its nature, risks, hazards an indemnity legal basis; stipulation and conditions,; contracts; Full disclosure of material facts; Inspecting and termination of coverage.

### **Fire Insurance Policies-**

Issue and renewal of policies, Different kinds; Risks covered: recovery of claims insurer's option; E-xgratia a payment and subrogation- Policy conditions; Hazards not covered: Contribution and average; Reinsurance, double insurance and excess insurance. Types of fire protection policies issued by the General Insurance Corporation of India.

### **Marine Insurance Contract**

Origin and growth; History of lloyds, Evaluation of marine insurance business in India. Basic elements-Insurable interest, Utmost Good Faith implied warranties; Policy document. Types of marine insurance contract-Freight. Cargo and vessel. Procedure for obtaining marine protection policy: Marine policies and conditions. Nature of coastal marine insurance; Perils covered, protection available; Procedure for preparation and presentation of claim: Payment of compensation by insurer.

Marine Losses

Postal loss, partial loss, particular average loss and general average loss, Preparation of loss statement. Payment of Marine Losses-requirement of the insured, documents needed. Procedure for presentation of claim; Valuation of loss salvage: Limits of liability, Attachment and termination of risk.

## **PRINCIPLES AND PRACTICE OF INSURANCE - II**

### **THEORY - II AND PRACTICAL - II**

#### **Insurance Finance and Legislation**

##### **Introduction**

Laws of probability: Forecast of future events

Construction of mortality tables; Mortality tables for annuities.

##### **Premium Determination-**

Basic factors; Use of mortality tables in premium

Determinations interest, compound interest functions, Net and gross premium;

Mode and periodicity and premium payment; Mode of claim payment; Benefits to be provided; Mode of loading for expenses. Gross premium-general

considerations, insurer's expenses margin adjusting; premium for term insurance;

Temporary insurance; Endowment insurance; level; and natural premium plan;

Premium calculation for study of actual valuation.

##### **Reserves and Surplus**

Nature, origin and importance of reserves; and; funds in life and property

insurance. Retrospective and prospective reserve computation. Statutory

regulation of reserves. Nature of surrender value; Concept and calculation of

surrender value, reduced paid up values ;Settlement options; Automatic premium

loan . Nature and sources of insurance surplus; Special form of surplus.

Distribution of surpluses-extra dividend. Residual dividend; Investment of

surplus and reserves-basic principles. Investment policy of LIC and GIC in India.

##### **Legislation-**

A Brief study of Indian Insurance Act. 1938

Detailed study of Life Insurance Corporation of India Act, 1956.

General Insurance Corporation of India Act, 1976.

Export Credit and Guarantee Corporation Act.

#### **Property and Liability Insurance**

##### **Introduction**

Risk and insurance; Insurance and non-insurable risks; Nature of property and

liability insurance, crop and cattle insurance; Type of liability insurance;

Reinsurance.

##### **Basic Concepts of Liability Insurance-**

(a) Basic Concepts:- Specific and all risk insurance; Valuation of risk; Indemnity contracts and specific value Contracts. Average and contribution; Excess and short insurance care.

(b) Liability Insurance: Procedure for obtaining liability insurance. Legal position of insurance agent; Construction and issue of policy; Records of liability insurance; Policy conditions.

##### **Types of liability Insurance Policy-**

Mandatory Public, Liability Insurance

Dwelling property losses; Business interruption and related losses. Theft Insurance contracts, Budgetary covers. Auto Insurance, Medical Benefit Insurance;

Dishonesty, disappearance and destruct insurance, Employer's liability Aviation

insurance: a Personal and residential insurance; Boiler machinery insurance;

Commercial enterprises and industrial property insurance.

### **Insurance Problems of Institution-**

Insurance problems of institutions- Insurance problems of Educational and religious Institutions, hospitals, clubs and associations; professional package contracts errors and missions insurance. Professional liability insurance; contracts liability insurance; limits on amount of insurance. Marketing and under-writing of liability insurance; finance of liability insurance.

### **Adjustment of losses and Claims Compensation**

Nature of losses and their Adjustment; Procedure of adjustment: Functions of adjuster's : Responsibility of adjuster's survey of losses. Procedure for preparing claims statements; Documents in use in claim settlement. Requirement of the insured in the event of loss. Appointment and loss valuation; statutory control over liability insurance in India. Liability policies by General Insurance Corporation of India.

### **Group Insurance and Retirement Benefit Schemes**

1. Introduction
2. Superannuation Scheme I
3. Superannuation Scheme II
4. Superannuation Schemes III
5. Gratuity Schemes
6. Group Life Insurance Schemes I
7. Group Life Insurance Schemes II
8. Provident Fund & Employees Family Pension and Deposit linked Insurance Schemes.
9. Taxation Treatment of Provisions (for Retirement Benefits-I)
- 10 Taxation Treatment of Provisions (for Retirement Benefits-II)
11. Groups Schemes and Data Processing

### **Ref Books:**

Huebner S.S. and Kenneth Black Jr. : Life Insurance-  
Prentice Hall Inc. Engle Wood Clifts, New Jersey.  
Mehar Robert L. : Life Insurance : Theory and Practice-  
Business Publication, Texas.  
Meclean: Life Insurance  
Gupta, O.S.: Life Insurance – (Frank Brothers, New Delhi).  
Mishra, M.N. : Insurance Principles and Practice  
Delhi, Vikas Publishing House.  
General Insurance by Bickelhaunt and Magee. Eighth Edition published by  
Richard D. Irwin, Jie., Homewood, Illinois, Erwin-Dorsey limited, Gergstow,  
Ontario.  
Srivastave, S.C. : Insurance Administration and Legislation in India-  
(Allahbad) Asia Book Depot).  
Govt. of India : Life Insurance Corporation of India Act, 1956.  
Govt. of India: General Insurance Corporation of India Act 1956.  
Hudda: Property and Liability Insurance (Prentice Hall, New Jersey).  
. Cohn Carydon I : An Introduction to Liability Claims Adjusting Cinonati-  
(The National Underwriting Co.)  
Long & Gregg: Property and Liability Insurance (Hand Book,  
Hommewood, Richard D. Frwin).  
Group Insurance and Retirement Centers, Published by Federation of Insurance  
Institutions, Bombay.  
Rodder : Marine Insurance (Prentice Hall, New Jersey)  
Winter, W.D. : Marine Insurance  
Godwen : Fire Insurance  
Cabell H. : The Fire Insurance Contract Indian Policy-(The rough Notes Co.)

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