

PAPER VIIB (Code No. 3308 B)
FUNDAMENTALS OF INSURANCE

Objective

This course enables the students to know the fundamentals of insurance.

COURSE CONTENTS

UNIT-I

Introduction to Insurance: Purpose and need of insurance; Insurance as a social security tool; Insurance and economic development.

Fundamentals of Agency Law: Definition of an agent; Agents regulations; Insurance intermediaries; Agents' compensation.

UNIT-II

Procedure for Becoming an Agent: Prerequisite for obtaining a license; Duration of license; Cancellation of license; Revocation or suspension/termination of agent appointment; Code of conduct; Unfair practices.

UNIT-III

Functions of the Agent: Proposal form and other forms for grant of cover; Financial and medical underwriting; Material information; Nomination and assignment; Procedure regarding settlement of policy claims.

UNIT-IV

Company Profile: Organizational set-up of the company; Promotion strategy; Market share; Important activities; Structure; Product; Actuarial profession; Product pricing - actuarial aspects; Distribution channels.

UNIT-V

Fundamentals/Principles of Life Insurance/Marine/Fire/Medical General Insurance: Contracts of various kinds; Insurable Interest.

Suggested Readings

1. Gupta OS: Life Insurance; Frank Brothers, New Delhi.
2. Insurance Regulatory Development Act 1999.
3. Life Insurance Corporation Act 1956.
4. Mishra M.N: Insurance Principles and Practice; S.Chand and Co, New Delhi.
5. Mishra MN: Life Insurance Corporation of India, Vols 1, 11 & 111; Raj Books, Jaipur.
6. Vinayakam N., Radhaswamy and Vasudevan SV; Insurance - Principles and practice, S.Chand and Co., New Delhi.