



Semester II
ECOSEC- 151
Insurance: Principles and Practices
Total Credits: 3
Teaching Hours: 45 hours

Course Description:

This course has been designed to provide the platform to the FYUG student with the basic needed to operate in the insurance market with special reference to India including identifying, analysing and managing various types of risk. Besides, the students will be in a position to understand principles of insurance and its usefulness in business and in practical life, along with its regulatory framework.

Course outcome:

After the completion of the course the students will be gather practical knowledge about the functioning framework of insurance markets.

Unit I: Concept of Risk

Concept and Types of Risks, Managing Risk, Sources and Measurement of Risk, Risk Evaluation and Prediction, Risk pooling and Risk transfer

Unit II: Basic Concept of Insurance

Concept and Nature of Insurance, Need and Role of Insurance, Principle of Utmost Good Faith, Insurable Interest, Proximate cause, contribution and Subrogation, Indemnity, Legal Aspects of Insurance Contract.

Unit III: Classification and Types

Types of Insurance- General Insurance and Life Insurance, Travel Insurance, Fire and Motor Insurance, Health Insurance, Marine Insurance, Automobile Insurance.

Unit IV: Legal Issues in Insurance

Globalization of Insurance Sector, Insurance as a Social Security, Reinsurance, Co-insurance, Assignment, Endowment, Significance of Claims Settlement, Arbitration and Litigation, Insurance Fraud.

Unit V: Insurance Regulation in India

Need for Regulation of Insurance, Regulatory Framework of Insurance- Role, Power and Functions of IRDA, Composition of IRDA, IRDA Act' 1999 (Emphasis should be on latest Insurance Amendment Act., Govt. of India).

Practical/Project Work /Field Survey/ Assignment

Working Practice of Insurance Company (case study); Financial Planning and Life Insurance; Life Insurance Products and Practices; The emerging trends, contemporary issues and practices of the Insurance Market in India.

Suggested Readings:

1. George, E. Rejda, *Principles of Risk Management and Insurance*, Pearson Education.
2. Dorfman, Marks S., *Introduction to Risk Management and Insurance*, Pearson
3. Singh, A. *Principles of Insurance Law*, Easter Book Co.
4. Gupta. P.K, *Insurance and Risk Management*, Himalaya Publishing House.
5. Mishra, M. N., *Principles and Practices of Insurance*, S. Chand and Sons.



6. Dinsdale, W.A., *Elements of Insurance*, Pitaman.
7. Black, K. and H.D. Skipper, *Life and Health insurance*, Pearson Education
8. Crane, F., *Insurance Principles and Practices*, John Wiley and Sons, New York.
9. Vaughan, E. J. and T. Vaughan, *Fundamentals of Risk and Insurance*, Wiley & Sons
10. Hansell, D.S., *Elements of Insurance*, Macdonald & Evans Ltd.
11. Tripathy, N. R & Pal, P. (2006), *Insurance Theory and Practice*, 2nd Edition, Prentice Hall of India P Ltd., New Delhi.
12. Insurance Institute of India. (2011), *Principles of Insurance*, available at Mumbai.
13. https://www.toppr.com/guides/business-studies/business-services/insurance/#1_Utmost_Good_Faith
14. <https://www.canarahsbclife.com/faqs/life-insurance/what-is-meant-by-principles-of-insurance>