

## MBAS 461: Insurance Management

Workload	: 4 hours per week. - Total credits: 4
Examination	: 3 hours, 30 marks continuous evaluation and 70 marks final examination
Objectives	<ol style="list-style-type: none"><li>1. To study the basics of insurance and Indian insurance market.</li><li>2. To describe the role of IRDA in controlling insurance market.</li><li>3. To describe the products of life and general insurance.</li><li>4. To describe the need for health insurance.</li><li>5. To study the significance of rural insurance and social insurance</li><li>6. To study the unemployment insurance and miscellaneous products</li><li>7. To understand how to manage life insurance risk</li><li>8. To describe the globalisation of insurance market</li></ol>
Course Outcome	After completion of the course the students will be able to: <ol style="list-style-type: none"><li>1. Able to analyze the role of IRDA in controlling insurance market.</li><li>2. Able to analyze and design the of life and general insurance products.</li><li>3. Capable to describe and of sell insurance products.</li><li>4. Capable of handling rural insurance and social insurance</li><li>5. Able to manage the unemployment insurance and miscellaneous products.</li><li>6. Capable to manage life insurance risk.</li><li>7. Understand impact of globalization on insurance market.</li></ol>
Pedagogy	: Lectures, assignments, practical exercises, discussions, seminars.

**Module 1: Insurance:** Meaning, nature and significance, essential requirements and principles of Insurance, Contract elements of General Insurance and Life Insurance, re-insurance, nationalization of insurance business in India, Role of Insurance in national economy. Definition of Risk and Uncertainty, Classification of risks, sources of risk-external and internal, risk management. IRDA Act, Rationale of opening of the insurance sector to the private sector. Marketing of insurance products, distribution channels, concept of postal life insurance,

**Module 2: Types of Insurance Business in India: LIC of India,** Role, functions and policies, modern life insurance in India, private sector companies in life insurance sector, recent trends in life insurance. **General Insurance:** Meaning and origin, growth of General Insurance, nature of general insurance, different types of general insurance, law relating to general insurance organization and management of general insurance in India. **Deposit and Credit Insurance:** Nature, terms and conditions, claim, recovery etc. public liability insurance, emergency risk insurance.

**Module 3: Life Products:** Elements of Life Insurance - Features of Term Insurance - Features of Endowment assurance - Role of Term and Endowment in Product Designing - Types of Life Insurance Policies - Annuity & Pension Policies - Whole Life Policies - Money Back Policies - Other Types.

**Module 4: Health Insurance** Individual Medical Expense Insurance - Long Term Care coverage - Disability Income Insurance – Medi-claim Policy - Group Medi-claim Policy -

Personal Accident Policy - Child Welfare Policy. Health Insurance Products and Disability Income Insurance Critical Issues - Functional aspects - Indian Scenario-Future Prospects

**Module 5:** Rural Insurance and Social Insurance-Various Rural Insurance Policies- Project Insurance-Social Insurance-Old Age, Survivors and Disability Insurance-Types of Benefits.

**Module 6: Unemployment Insurance and Miscellaneous Products** - Workers Compensation- Motor Vehicles Insurance: Need - Types - Factors to Be Considered for Premium Fixing. Burglary - Jeweler's Block Insurance - Baggage Insurance - Micro Insurance -Banker's Indemnity Insurance - Aviation Insurance - Fidelity Guarantee Insurance - Public Liability Insurance

**Module 7:** Underwriting and Pricing – Objectives and Principles Behind Underwriting - Underwriting Life and Non-Life Insurance Business - Pricing and Rating Procedure - Basic Pricing Methods-Re- Insurance - Role of Re-Insurance - Nature of Re-Insurance Risk-Bancassurance - Concepts - combination of banking and insurance business, difference between banking insurance and life insurance companies, claims management- settlement, - Insurance Accounting - Financial Analysis and Valuations-Solvency and Performance Measures.

**Module 8:Life Insurance Risk Management:** meaning of risk management, features, objectives, risk management process, use of technology in risk management, risk management and decision making, enterprise risk management, risk management information system (RMIS), life Insurance underwriting, Life Insurance Financial Management and Retirement Planning

**Module 9:Globalisation of insurance market:** need for Globalisation, Globalisation and liberalisation, global picture of insurance Globalisation and its impact on India, benefits and challenges of market access liberalization, Information Technology and Life Insurance companies and recent developments in Life Insurance companies in India.

#### Reference Books::

1. Rejda George E, (2008), Principles of Risk Management and Insurance, 9th edition, Pearson Education, New Delhi
2. Gupta P. K., (2005) Insurance and Risk Management, Himalaya Publishing House, New Delhi
3. Periswamy P., (2005), Principles and Practices of Insurance, Himalaya Publishing House, New Delhi
4. Harrington and Meshaces, (2006), Risk Management and Insurance, 2nd edition, Tata Mc Graw Hill Publishing Company Limited, New Delhi
5. Ganguly Anand, (2004), Insurance Management, New Age International (P) Ltd., New Delhi
6. Palande P. S., Shah *et al.*, (2003), Insurance in India: Changing Policies and Emerging opportunities, Sage Publications, New Delhi
7. ICFAI, Bancassurance: An Introduction – ICFAI University Press
8. Indian Institute of Banking and Finance, Insurance Products and Services, IIBF and Taxman
9. Indian Institute of Banking & Finance, Treasury & Risk Management in Banks, 2012, Taxman Publications (P) Ltd.
10. M.N. Mishra: Insurance Principles and Practice: sultan Chand and company, New Delhi.
11. C. Arthur Williams.Jr, Michal L. smith Peter C Young: Risk Management and Insurance.

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