

Department of Commerce

Subject: Principles of Insurance

Course: B.COM

Group: Sec. A & B

Semester: III

Paper:

Credits:

Syllabus

Unit I: Risk Management, Concept of Insurance, Business of Insurance, Insurance Market and Insurance Terminology

Understanding of Risk-Types of Risks- Actual and Consequential Losses- Unexpected Eventualities - Loss Minimization Techniques- Basics, Evolution and Nature of Insurance- Concept of Pooling in Insurance- Different classes of Insurance- Importance of Insurance- Management of Risk by Individuals -Management of Risk by Insurers- Fixing of Premiums- Reinsurance and its importance for Insurers- Role of Insurance in Economic Development and Social Security-Constituents of Insurance Market- Operations of Insurance Companies- Operations of Intermediaries- Specialist Insurance Companies- Insurance Specialist- Role of Regulators and Other Bodies Connected with Insurance- Common Terms and specific terms in Insurance: Life and Non Life- Usage of Insurance Terms- Understanding Insurance Customers and their needs and behavior in purchase and claims- Importance of Customers- Customer Mindsets-Customer Satisfaction- Importance of Ethical Behavior.

Unit II: Insurance Customer, Insurance Products and Insurance Contracts

Life Insurance and General Insurance Products: Risk of Dying Early- Risk of Living too Long- Products offered- Term Plans- Pure Endowment Plans- Combinations of Plans- Traditional Products - Linked Policies- Features of Annuities and Group Policies. General Insurance Products: Risks faced by Owner of Asset- Exposure to Perils- Features of Products Covering Fire and Allied Perils- Products covering Marine and Transit Risks- Products covering Financial Losses due to Accidents- Products covering Financial Losses due to Hospitalization- ~~Products Covering Miscellaneous Risks.~~ Insurance Contract Terms- Principles of Insurance: Principle of Insurable Interest, Principle of

Indemnity, Principle of Subrogation, Principle of Contribution, Relevant Information Disclosure, Principle of utmost Good Faith, Relevance of Proximate Cause.

Question Bank

UNIT I: Risk Management, Concept of Insurance, Business of Insurance, Insurance Market and Insurance Terminology

Short Questions:

1. Define Risk Management.
2. Define Insurance
3. What is the pooling of Insurance?
4. What is meant by Unexpected Eventualities?
5. What is fixing of premiums?
6. What is Reinsurance?
7. List out different Insurance Specialists?
8. Define Bank Assurance?
9. What do you mean by Ceding Party?
10. What is potential risk?
11. List out common terms used in life Insurance contracts?
12. list out common terms used in non life Insurance?
13. What is Consequential Loss?
14. Different kinds of Agents?
15. What do you mean by understanding Insurance Customers?
16. What is meant by Ethical Behavior?
17. What is Customer mindset?
18. What is premium?

Long Questions:

1. Discuss about Origin and Nature of Insurance?

2. Explain the importance of Insurance?
3. Explain Different types of Risks and different types of Risk management Techniques?
4. Explain the Importance of Reinsurance for Insurers?
4. Explain the different classes or types of Insurance?
5. Explain different steps in Individual Risk Management Process and How the Management of Risk is done by Insurers?
6. Explain different Operations of Insurance Intermediaries?
7. Explain the role of Insurance Regulatory Bodies?
8. Why customer satisfaction is important to an Insurance company and explain about the customer behavior at purchase point?

Unit II: Insurance Customer, Insurance Products and Insurance Contracts

Short Questions:

1. What is Insurance?
2. What is Double Insurance?
3. What is underinsurance?
4. What is Subrogation?
5. What is Liability Insurance?
6. What is single premium plan
7. What is ULIP

Long Questions:

1. Explain the essentials of an Insurance Contract?
2. Define Insurance and explain the Principles of Insurance?
3. What is Life Insurance? What are the Risks it covers and explain different types of Life insurance products?
4. Explain difference between Term Life Insurance and whole life insurance Policies?
5. What are the major types of Group Insurance schemes or Group Policies?

6. What is mean by Annuities? Explain different types of Annuities with its Benefits?

7. What is General Insurance and explain various types of General Insurance Products?

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