

GOVERNMENT AIZAWL COLLEGE  
AIZAWL: MIZORAM

SYLLABUS

CERTIFICATE, DIPLOMA AND ADVANCED DIPLOMA COURSES IN INSURANCE

A SCHEME OF  
CAREER ORIENTED COURSE  
Under University Grants Commission

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## IC-1: CERTIFICATE COURSE IN INSURANCE (FIRST YEAR)

**Objective:** This course aims at familiarising the participants with the concept of insurance, the risk and its management, various insurance policies and their structure along with the legal dimensions involved. The certificate course contents deal with all essential concepts which a potential insurance agent is supposed to know and it will also certainly help one who wishes to become a successful insurance agent. Diploma and Advanced Diploma course contents are framed to give a comprehensive and in-depth knowledge of insurance subject. After the completion of the course one can benefit and enable to compete for any sort of insurance examinations.

### Unit I Introduction to Insurance:

What is insurance; Brief history of insurance; Purpose and need of insurance; Classification of risks; How insurance works; the human asset; Insurance of intangibles;

### Unit II Insurance Laws:

Insurance Act, 1938, Nationalisation of life insurance, IRDA Act 1999.

Premium and Bonuses: What is premium; Risk, net and pure premium, loadings, level premiums, office premium, extra premiums, calculation of age, life fund, actuarial valuation, bonus, interim bonus.

### Unit III Life insurance products, underwriting:

Popular plans, convertible plans, with or without profit plans, health insurance, joint life policies, children plans, salary savings schemes, Linked life insurance products, Adverse selection, non-medical underwriting, and female lives.

### Unit IV Claims:

Maturity claims, death claims, presumption of death, accident and disability benefits, critical illness claims.

### Unit V Procedure for becoming an agent:

Functions of an agent, Responsibilities of an agent, prerequisites for success, ethical behaviour.

### Unit VI Non-Life Insurance:

General insurance, practice of non-life insurance, fire insurance, rural insurance, social insurance.

# **Syllabus**

## **ID-2: Diploma in Insurance (second year)**

### **Unit I Introduction to Life and General Insurance:**

The business of insurance; Trustee; Reinsurance; Insurance as a social security tool; Role of insurance in economic development; Advantages of life insurance.

### **Unit II Principles of Life assurance:**

Life insurance contracts; Principles of utmost good faith; Insurable interest, Features of insurable interest, Principle of indemnity.

### **Unit III Insurance documents:**

Proposal forms, personal statement, first premium receipt, the policy document, endorsements, prospectus.

Policy Conditions: Age, Days of grace, lapse and non-forfeiture, paid up value, extended term insurance, revival, assignment, nomination, Surrender and Loans.

### **Unit IV New Distribution Channels:**

Role of Agents in insurance, Bancassurance, Corporate Agents and other alternate agents.

### **Unit V Non-Life Insurance:**

Introduction to General Insurance, Practice of Non-Life Insurance, Aviation Insurance, Project and Engineering Insurance, Liability Insurance, Personal Accident Insurance. Insurance in the rural/social sectors, Health related insurance.



**SYLLABUS**  
**ID-3: ADVANCED DIPLOMA ON INSURANCE (THIRD YEAR)**

**UNIT I Conceptual Framework:**

Risk, Peril and hazard, classification and burden of risk. Insurance as a device to hedge risk. Elements of insurable risk. Functions of Insurer, Government as Insurer and a regulator. Structure of Indian Insurance Industry.

**UNIT II Principles and Practices of General Insurance:**

Meaning, Functions and Scope of Fire, Engineering, Accident, Marine and Aviation Insurance. Fire Insurance – Types of Policies – Floating Policies and Declaration Policies; Endorsements and Clauses – fire Protection System, Discounts – Special Rating of Large Industrial Risks. Industrial Risk Insurance. Engineering Insurance: Machinery Breakdown Insurance – Contractors All risks Insurance and various other policies – Miscellaneous Annual Policies – Advance Loss of Profits Insurance. Motor Insurance - type of: Vehicles and their Policies – Rules & Regulations – Policy Forms. Public Liability Policy: professional Indemnities – Employers' Liability Insurance. Personal Accident: Scope of Various covers. Miscellaneous (Accident) Insurance: Fidelity Guarantees and Bonds – Burglary Insurance – Money-in-transit Insurance, Banker's Indemnity Insurance and other important insurance covers. Aviation insurance: Special Features – types of Cover, Marine Insurance including Inland Rail/Road Transit insurance.

**UNIT III Life and Health Insurance:**

Life Insurance and annuities broad classification of Life insurances, special purpose policies; Family income, Family maintenance, Family policy, Joint Life Policies, Classes of life insurance, Health Insurance: Medical Insurance Types of Health Insurance Coverages, types of losses covered. Health insurance contract.

**UNIT IV Legal frame work of Insurance:**

Insurance and Law of Contracts, characteristics of an Insurance Contract, Interpretation of the Contract, Doctrine of informal Warranties and beneficent interpretation, Exclusion of Coverages.

**UNIT V Organization and Administration of Insurance:**

Management Organization: Departmentalisation, marketing, Claims, and loss control, underwriting and pricing of insurance, retention and re-insurance; Financial Structure, reserves of property and liabilities of insurer, earned surplus and profitability, Insurer's Investments, Financial reporting.

**Suggested Readings:**

1. W.A. Dinsdale, "*Elements of Insurance*", Pitaman, 1971.
2. Dorfman Marks S., "*Introduction to Risk Management and Insurance*", 5th Edition, Prentice Hall Inc, Englewood Cliffs N.J .
3. Nicholas Legh – Jones, John Birds and David Owen, "*MacGillivray on Insurance Law*", 11th Edition, Sweet & Maxwell, London., 2008 .
4. Denis Riley, "*Consequential Loss Insurance an d Claims*", 4th edition, London: Sweet & Maxwell, 1977.
5. Dr. P.K. Gupta, "Insurance and Risk Management", Himalaya Publishing House, Mumbai, 2008.
6. Jyotsana Sethi and Niswan Bhatia, "Elements of Banking and Insurance", PHI Learning Private Limited, New Delhi-110001, 2011.
7. EMMETT J. VAUGHAN, THERESE VAUGHAN "Fundamentals Of Risk And Insurance", Jain Book Agency New Delhi, 9th Ed, 2007, reprint 2011.
8. The Journal-Insurance Institute of India, Bandra Kurla Complex, Mumbai.  
[www.insuranceinstituteofindia.com/.../Journal.../The%20Journal.pdf](http://www.insuranceinstituteofindia.com/.../Journal.../The%20Journal.pdf).