

INSURANCE

SYLLABUS FOR HIGHER SECONDARY FIRST YEAR COURSE

Introduction :

The increasing complexity of business organisation and the risk involved in the present day world makes it obligatory for students choosing commerce as a career to be conversant with the principles and practice of insurance. A study of these principles and practice will make the students aware of the function of insurance in general and the purpose of its business in particular.

The present syllabus of insurance paper for Higher Secondary First Year and Second Year class is framed in such a way that it covers the entire course of study within the prescribed time limit of the council. The topics included in the course of study are expected to be helpful to the student who wish to pursue higher studies in the subject and also provide opportunity to those who wish to choose careers in insurance.

As such the major objectives of teaching insurance at Higher Secondary stage are as follows:

1. To acquire knowledge and understand various definitions, concepts, terms and insurance principles.
2. To acquaint the students with practice and procedure of insurance business.
3. To create an awareness of the necessity of insurance in business as well as in the society.
4. To give fundamental knowledge regarding organisation and operation of insurance business.
5. To understand the importance of insurance and its scope in modern business.'

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One Paper

Time : Three hours

Marks : 100

Unitwise Distribution of Marks & Periods :

Unit	Topics	Marks	Periods
FUNDAMENTALS			
Unit-1	Concept of Risk and its Handling	05	10
Unit-2	Insurance and its Acts	10	20
Unit-3	Principles of Insurance and its Importance	10	20
LIFE INSURANCE			
Unit-4	Life Insurance Act of 1956 and History of Insurance Business in India	10	11
Unit-5	Definition, Importance, Fundamental Principles and Policies	10	20
Unit-6	Procedure for effecting life insurance and Insurance agent	15	30
Unit-7	Categories of Lives, Conditions and Claim	10	18
Unit-8	Application of Probability concept	10	18
Unit-9	Life fund and surplus	10	18
Unit-10	Annuity	10	15
Total :		100	180

Unitwise Distribution of Course contents:

FUNDAMENTALS

Unit-1 : Concept of Risk and its handling :

Marks : 05

Risk : Definition, Type, Methods of handling Risks

Unit-2 : Insurance and its Acts :

Marks : 10

Insurance Act of 1938- insurance regulatory and Development Authority Act 1999- IRDA (licensing of insurance agent) Regulation 2000. Definition, Need, Functions. Insurance organizations and their classification, Definition of terms used in insurance business.

Unit-3 : Principles of Insurance and its Importance :

Marks : 10

Principles of Insurance - Utmost good faith, insurable interest, indemnity; Caupra maxima, Subrogation and contribution, Double insurance and Re-insurance. Wager- distinction between insurance and wager (gambling). Importance of insurance to individual, business and society.

LIFE INSURANCE

Unit-4 : Life insurance Act of 1956 and History of Insurance Business in India. Marks : 10

Unit-5 : Definition, Importance, Fundamental Principles and Policies : Marks : 10

- ❖ Definition, importance, fundamental principle of Life Insurance Contract
- ❖ Distinction between Life Insurance and other forms of Insurance .
- ❖ Different policies issued by Life insurance companies
- ❖ Surrender value, Accident benefit, Policy loan.

Unit-6 : Procedure for effecting Life Insurance and role of Life Insurance Agent : Marks : 15

Procedure of effecting a policy- Insurance agent-appointment, role, functions, and code of conduct, Proposal form, information contain therein, Agents report, and other additional information required,

Unit-7 : Categories of lives, conditions and claim : Marks : 10

Categories of Lives - standard, sub-standard, uninsurable lives, assignment, nomination, various clauses of life insurance, Polity, Claims: Maturity and Death. Procedure of settlement of claim and group insurance,

Unit-8 : Application of Probability concept : Marks : 10

Theory of probability as applied to life insurance, Mortality tables; methods of calculation of premium-concession allowed on large sun assured and on mode of payment

Unit-9 : Life Fund and Surplus : Marks : 10

Life insurance fund - its creation, calculation and valuation. Investment policy of life fund.
Surplus- and its ascertainment and distribution
Bonus- Types and distribution

Unit-10 : Annuity : Marks : 10

Meaning, Types and distribution between life insurance and annuity.