

KLE Society's
Lingaraj College, Belagavi
(Autonomous)

Department of BBA

B.B.A. : V Semester

Life Insurance
(w.e.f. 2018-19 onwards)

Teaching hours per week – 04 :	Maximum Marks	:	100 Marks
	Semester End Examination	:	70 Marks
	Internal Assessment	:	30 Marks

Course Outcome:

At the end of this course students will be able to:

1. It enables understand Conceptual Framework and appreciate their professional career in the right perspective in the field of Life Insurance.
2. Cadre professionals in the Insurance industry and also be well versed in risk management, governance and regulatory compliances.
3. Able to know the various Plans of Life Insurance with its conceptual framework and insurance regulation.
4. Understanding of Special Need Plans of Life Insurance with its conceptual framework according to IRDA Guidelines.
5. Study the Application and Acceptance of Documentation and premium calculation under Life insurance.
6. Follow the underwriting practices and efficient management of claims and its impact on the company and the policyholders.

Syllabus

Modules	Syllabus	HOURS
Module 1: Introduction to Insurance	The Conceptual Framework, What Is Insurance – Brief History of Insurance – Perils and Risks – Classification of Risks- Hazards – How Insurance Works – Classes of Insurance – Assumptions – Importance of Insurance Industry. The Business of Insurance – Managing Risk Retention – Life Insurance – Managing Insurance – Funds of An Insurer – Trustee-Reinsurance – Role of Insurance in Economic Development – Insurance and Social Security. The Insurance Contract – Utmost Good Faith or <i>Uberrima Fides</i> – Insurable Interest – Insurer’s Insurable Interest – Criminal Acts – Indemnity – Subrogation and Contribution – Proximate Cause – Personal and Non-Personal Contracts.	12
Module 2:	Introduction – Organizing – Important Activities – The Indian Context – Internal Organization – The Distribution System – Appointment of Agent-Functions of The Agent – Continuance of	8

Practice Of Insurance	Agency – Remuneration To Agents – Trends in Life Insurance – Distribution Channels – Premiums and Bonuses – What Is Premium – Risk – Net and Pure Premium – Premium Calculation - Actuarial Valuation – Bonus – Simple Reversionary Bonus – Compound Reversionary Bonus – Interim Bonus.	
Module 3: Plans of Life Insurance – I	Death Cover – Survival Benefit – Term Assurance – Pure Endowment – Linked – Some Popular Plans- Common Variations – With Profit and Without Profit Policies – Joint Life Policies – Children’s Plans – Variable Insurance Plans, Riders – Postal Life Insurance. Annuities – The Nature of Annuity – Immediate Annuity – Deferred Annuity. Group Insurance – Introduction – Meaning of Group Insurance – Types of Group Insurance Schemes – Group Gratuity Schemes – Ways To Meeting Gratuity Liability – Group Superannuation Scheme – Group Leave Encashment Scheme (GLES) – Other Group Schemes – Social Security Schemes	10
Module 4: Plans of Life Insurance – II	Other Special Need Plans – Industrial Life Insurance – Married Women’s Property (MWP) Act Policies – Key Man Insurance – Plans Covering Handicapped. Health Products – Types of Products – Indemnity, Fixed Benefits, ULIPS, Pure Health Covers, Linked Insurance Plans – What Is Linked Policy – Equity Funds – Debt Funds – Money Market Funds – Liquid Funds – Balanced Funds – Flexibility – Top-Up-Premium Holiday – Net Assets Value (NAV) – Annuities and Pensions – IRDA Guidelines.	10
Module 5: Application and Acceptance	Application and Acceptance – Principle of Utmost Good Faith – Insurable Interest – Prospectus – Proposal Forms and Other Related Documents Alterations – Duplicate Policy. Premium Payment – Lapse and Revival – Age – Premium – Where To Pay – Surrender Values – Non-Forfeiture Option – Revival – Special Revival Scheme – Installment Revival Scheme – Loan – Cum – Revival Scheme. Assignment, Nomination, Loans, Surrenders, Foreclosure	8
Module 6: Policy Claims	Maturity Claims – Survival Benefit Payments – Death Claims – Waiver of Evidence of Title – Early Claims – Claims Concession – Presumption of Death – Accident Benefit and Disability Benefit – Permanent Disability Benefit – Post Maturity Options – Settlement Options – Precautions. Miscellaneous – Reinsurance – Exchange Control Regulations – Payment of Premiums – Payment of Claims Etc. – Assignment in Favour of Non-Residents – Deposits – Export of Policies – Information Technology – Intranet and Internet - Benefits To Agents – Benefits To Policy Holders/ Prospects – Kiosks – It in The Rural Areas – Internal Processing – IRDA Regulations. Annexure – Financial Market – Capital Market – Stock Technical’s – Authorized Capital – Issued Capital – Float Outstanding – Shares Market – Capitalization –Or Earnings Per Share (EPS) –(Price Earning Ratio (PE) – Beta. Simple Economics – Risk Premium – Relationship Between Interest Rates and Stock Prices – Relationship Between Inflation Rates and Stock Prices – Evaluating Unit Linked Policies – Policy Fund.	12

TEXT/ REFERENCE BOOK:

1. IC 38 INSURANCE AGENTS- by Insurance Institute of India, Mumbai.
2. Practice of Life Insurance (I.C.02) (Insurance Institute of India, Mumbai)