

## Syllabus for M.Com (Banking & Insurance)

Course Name: Principles of Insurance

Semester: I

Course Code: 104

Marks Distribution: 20+80

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Unit- I: The concept of risk- Kinds and classification of risks- Assessment- Transfer: the concept of Insurance- Classification of Insurance- types of Life Insurance- Pure and term types of General Insurance, Fire, Marine Motor, Engineering Aviation and Agricultural Insurance of Property, pecuniary interest, Liability and person

Unit- II: Basic Principles of Insurance- Utmost good faith- Insurable interest- material facts indemnity- Proximate cause. Economic Principles Insurance- sharing- subrogation- Contribution, Role of Insurance in the national economy: Current marketing structure and internal market.

Unit- III: Legal Principles of Insurance- The Indian Contract Act 1872- Insurance Interest Nomination and assignment- Utmost good faith- Indemnity- Subrogation- Contribution- Proximate Cause. Financial Principles- Premium funds- Investments- Reserves- Surplus- Valuation of Surplus.

Unit- IV: Theory of Rating- Actuarial Principles- Morality tables- Physical and moral hazard Representations- Warranties.

Unit- V: Risk Appraisal- Risk Selection- Underwriting- Reinsurance- Introduction- Brief. Historical background- Nature and function of Re Insurance- methods of Reinsurance. (Major forms: Facultative and Treaty, facultative Reinsurance- Proportional- non proportional (excess of loss) and Treaty reinsurance).

### Reference Books:

1. Dr. P.Periaswamy: Principles and Practice of insurance, Himalaya Publishing House, Delhi.
2. Fundamentals of insurance, Himalaya Publishing House, Delhi.
3. M.N. Mishra: Insurance Principles and Practice, S Chand, New Delhi.
4. T.T.Seth Insurance Principles and Practice, S Chand, New Delhi.
5. P.K. Gupta: Principles and Practice of Non-Life Insurance, Himalaya Publishing House, Delhi.