

PG Diploma in Actuarial Management

Non- Semester

(With Effect from the Academic Year 2013-14)

Eligibility for the course : A Pass in any Undergraduate degree

Duration of the course : 1 Year

Examination:

All the theory papers and problem papers are of 3 hours duration each for maximum of 100 Marks.

Passing minimum : 50

Programme	Year	Total No. of Courses	Course (Subject) Name	Marks
PG Diploma In Actuarial Management	I	5	Functional English for Business Communication	100
			Financial & Management Accounting	100
			Principles and Practice of Insurance	100
			Introduction to Life Insurance	100
			Introduction to General Insurance	100

This PG Diploma programme is targeted to those interested to pursue their career in the insurance field. This programme is for those who are working (or) seeking job in the insurance companies.

FUNCTIONAL ENGLISH FOR BUSINESS COMMUNICATION

This course is aimed at developing the writing skills in English correspondence. The course focuses on the general grammar and punctuation rules for communication in English.

Function English course covers the process of communication, Aids to correct writing, functions and essentials of business letters, letter layout, various business letters and report writing.

UNIT I

Introduction to communication – objectives of communication – media of communication – types and directions of communication – barriers to communication – principles of communication.

UNIT II

Aids to correct writing: Tenses, modals, conditionals, infinitives, gerunds & participles, active and passive voice, subject-verb agreement, common errors in English, Punctuation and use of Capital Letters – spelling and vocabulary – idioms and phrases.

UNIT III

Business letters – need, functions – layout – kinds of business letters – Enquiries & Replies, Order letters – credit and status enquiries – circular letters – sales letters – complaints, claims and adjustments – collection letters.

UNIT IV

Bank Correspondence – Insurance Correspondence – Import-Export Correspondence – Agency Correspondence – form letters.

UNIT V

Application letters – resume – Public Relations letters – Minutes writing – letter to editor – Report writing.

Books for Reference:

1. Rajendra Pal, J S Korlahalli, Essentials of Business Communication, Sultan Chand & Sons, 2008
2. RSN Pillai, Bagavathy, Business correspondence and Office Methods, S Chand Publishers, New Delhi, 2006
3. Homai Pradhan, Business Communication, Himalaya Publishing House, New Delhi, 2004
4. Shaily V. Asthana, English, Vision Publications

FINANCIAL & MANAGEMENT ACCOUNTING

This course gives an overall knowledge in financial accounting and management accounting. Even a non-commerce student can understand the principles of financial and management accounting.

This course covers fundamentals of financial accounting, preparation of ledger accounts and final accounts, basics of management accounting viz., budgeting, preparation of cost sheet, ratio analysis and fund flow & cash flow analysis.

UNIT I

Introduction to double entry book-keeping – golden rules of accounting – accounting cycle – Journal – Ledger – Trial Balance – Final Accounts (Simple Problems only)

UNIT II

Cost Accounting – Preparation of cost sheet – Computation of EOQ and Material Level Setting – Pricing of material issues (FIFO, LIFO, SAP & WAP methods only) – Labour remuneration – Piece Rate system (Straight Piece rate & Taylors Differential Piece Rate), Time Rate System – Bonus plans.

UNIT III

Financial Statement Analysis – Comparative and Common Sized Balance Sheets – Trend Analysis & Interpretation – Ratio Analysis (Simple Problems only)

UNIT IV

Budgeting and Budgetary Control – Types of budgets (Cash Budget & Flexible Budgets only), Marginal Costing – Contribution – P/V Ratio – Estimation of Profits – Break-Even Charts

UNIT V

Fund Flow Analysis, Cash Flow Analysis (Simple Problems with 2 adjustments only)

Books for Reference:

1. P.S. BoopathiManickam, Financial & Management Accounting, PSG Publication, 2008
2. Kuppapally, Accounting For Managers, Eastern Economy Edition, 2009
3. N. Premavathy & M. Inbalakshmi, Financial Management, Sri Vishnu Publications, 2008
4. Dr S N Maheshwari, Financial Accounting For BBA, Kitabmahal Publications
5. I M Pandey, Management Accounting, Kitabmahal, Publications

PRINCIPLES AND PRACTICE OF INSURANCE

This course envisions the students to understand the general principles and practice of insurance in India.

This course covers the fundamentals of insurance, structure of LIC & GIC, growth and development of insurance in India, Risk management, range of products and services of insurance, types of risk and Insurance Act.

UNIT I

Introduction of Insurance – Meaning – Definition – Role and Importance of Insurance – Uses – Functions – Different Kinds of Insurance. General Principles of Insurance – Insurable Interest – Utmost good faith in Contract of Insurable – Proximate Cause in Law of Insurance – Determination of Proximate Cause – doctrine of Subrogation.

UNIT II

Growth and development of Insurance in India – History, formation and structure of LIC/ GIC – IRDA to form Benchmarks – establishments overseas – Structure of GIC - General Insurance Abroad-Re-insurance business in India-Global re insurance capitalization - India's share of world life insurance – Risk based capital norms soon – competition in Private Insurance.

UNIT III

Risk Management – Introduction – Meaning – Risk Management Process – Paying losses – Administering the risk management program – Professional Liability cover- Identification, measurement and control of risk- basic concepts from probability and statistics – Random variables and probability distribution – characteristics of probability distributions – Evaluation of frequency and severity of Losses- Pooling of risk - Insurance as Risk pooling arrangements – transferring of risk.

UNIT VI

Range of products and services of Insurance – available products – new products for changing risk pattern – IRDA may insure health cover to all – increased economic activity – Risk relating to new technologies – potential risk – environmental risk – health care services – loss of profit cover – responsibilities under various laws in India – Insurance against unforeseen circumstances – better exploitation of existing products – personal and institutional coverage – products introduced by private sector- file and use procedure.

UNIT V

Insurance legislations in India – Insurance Act 1938 – Life Insurance Act 1956-Marine Insurance Act 1963 – General Insurance Act 1972 – Insurance Regulatory and Development Authority Act 1999.

Books for Reference:

1. M.N. Mishra & S. B. Mishra, Insurance Principles And Practice, S. Chand Limited, 2008

2. M.C. Garg, B.S. Bodla, K. P. Singh, , Insurance Management: Principles and Practice, Deep and Deep Publications, 2007
3. Rajiv Jain & B.P. Bhargava (Ed.), Insurance Law & Practice, Vidhi Publishing (P) Ltd., 2006

INTRODUCTION TO LIFE INSURANCE

The course provides basic knowledge on health and life insurance, contracts and contemporary schemes on life insurance in India.

This course covers introduction to life insurance, types of risk, life insurance policy conditions, life insurance products, Group, Health, Social Insurance and Reinsurance, Mortality Tables, Maturity Claims and Underwriting.

UNIT I

Introduction to Life Insurance – History of Life Insurance – the set-up of life Insurance Corporation in India – Identification of Life Insurance Needs – Risk Classification and Life Insurance – Factors which affect Risk – types of Risk – Risk Information Sources – Methods of Risk Classification- Sub-standard Risks.

UNIT II

Life Insurance Policy Conditions – Age Proof – Medical Examination -Documents used in Life Insurance – Assignment of Life Insurance Policies – Nomination – Surrender Value – Policy conditions – Revival – Conditions – Alteration of Policy – Riders – Life Insurance, Tax :Laws and Stamp Duties – Tax Laws and Life Insurance – Life Insurance and Stamp Duties.

UNIT III

Life Insurance Products – Types of Life Insurance Policies – Term Insurance – Endowment policies – Whole –life policies – Life Insurance Policies According to Mode of payment of Premium – Life Insurance Policies According to the Number of persons Insured – Life Insurance Policies According to Profits – Life Insurance Policies According to the method of payment of Amount of Policy- Indexed Linked Policies – Annuities – Employer – employee Insurance Scheme – Key man Insurance.

UNIT IV

Group , Health, Social Insurance and Reinsurance – Group Insurance – Group Insurance Schemes – Compulsory Retirement Schemes – Social Insurance – Social Insurance Schemes – Health Insurance – Health Insurance in India- Reinsurance – Methods of Reinsurance.

UNIT V

Mortality Tables – Introduction – Types of Mortality Tables – Mortality Table Construction – definition – Sources of Mortality Information – Source of Mortality Information – Methods of Calculating Mortality Rates -Death Claims – Maturity Claims – Underwriting – Classification of Risk – Commonly Encountered Impairments

Books for Reference:

1. S.Arunajatesan&T.R.Viswanathan, Risk Management and Insurance - Concepts and Practices of Life and General Insurance, Macmillan Publishers India Ltd., 2009
2. H SADHAK, Life Insurance in India - Opportunities, Challenges and Strategic Perspective, Sage Publications, 2009
3. R. M. Ray, Life Insurance In India: Its History, Law, Practice and Problems, Morrison Press, 2007
4. R. Haridas, Life Insurance in India, New Century Publications, 2011
5. Dr.Shrikrishnalaxmankarve. Principles of Life Insurance, Himalaya publishing House

INTRODUCTION TO GENERAL INSURANCE

UNIT I

Principles of insurance – principles of Utmost Good Faith – insurable interest – Principle of Indemnity- Doctrine of Subrogation – Principle of Proximate cause – contribution, Non-life insurance and its products- introduction of general insurance – Marine Insurance – carriage of goods by sea – warranties-general Average – Particular Average.

UNIT II

Forms Used in general Insurance – proposal forms – Policy Forms – Waiver and Estoppel - Endorsements-Miscellaneous Insurance – Motor Insurance – Motor Insurance Claims Tribunal – Clauses of the policy – Burglary Insurance – Personal Accident Insurance – Fidelity Guarantees Insurance – Cash or Money in transit Insurance – Goods in Transit Insurance – Insurance Coverage Risk of Storm and tempest – money insurance – Baggage Insurance – Pedal Cycle Insurance – Neon Sign Insurance – HouseHolders Insurance – Banker’s Blanket Policies – Jeweller’s Block Policies – Blood Stock (Horse) Insurance- special contingency policy – Executive Travel Policy – Workmen’s Compensation Insurance – Employee’s State Insurance – Public Liability Insurance – Employer’s Liability Policy – Building Insurance .

UNIT III

Specialized classes of General Insurance – Industrial All Risk Insurance – Aviation Insurance-Airline Insurance(Hull and Liability) – Oil and Gas Insurance – Political Risk Insurance – Export Credit Guarantee Corporation – Deposit and Credit Insurance – Rural Insurance – Regulation on Rural Insurance

– Rural Insurance Needs – The Experience of New Players – Rural Insurance Policies – The Role of Government – Cattle Insurance – Sheep and Goat Insurance – Poultry Insurance – Duck Insurance – Aquaculture Insurance – Sericulture Insurance – Honey Bee Insurance-Lift Irrigation Insurance – Salt works Insurance –Hut Insurance – Farmers Package Insurance – Personal Accident Social Security.

UNIT IV

Under writing Practices and procedures – The Types and Classification of Hazard-Moral Hazard – Underwriting of Physical Hazard-Motor Underwriting -Claim Settlement – Legal Aspects – Various categories of insurance Claims – Contents of the Claim Form – Fire Insurance Claims – Motor Insurance Claims – Marine Insurance Claims – Claim Documents – Documents of Recovery – claims for Duty and profits – Claims for Non – Delivery.

UNIT V

Asset and Liability Management – Valuation of Assets – Valuation of Liabilities –General Insurance – Solvency margins – Investment and Accounting – Revenue Account – Profit and Loss Account – Balance Sheet- Returns – Marketing and Insurance Services – Genesis of Insurance Industry in India – A.C. Mukherji Committee Report – Insurance Salesmanship- Intermediaries and Distribution Channel – Banc assurance – Marketing mix of Insurance – Pricing – the DE tariffed Regime in India – Place or Distribution Channels – Promotion – People – Marketing Strategies of Insurance Players in India – CRM in Insurance .

Books for Reference:

1. G E Thomas K C Mishra, General Insurance: Principles & Practice, Cengage Learning
2. K. C. Sharma, General Insurance in India: Principles and Practices, Regal Publications, 2012
3. Principles and Practice of Insurance, ICAI, 2008