IC 01 PRINCIPLES OF INSURANCE
(Revised Edition: 2010)

Objectives

This course intends to provide a basic understanding of the insurance mechanism. It explains the concept of insurance and how it is used to cover risk. How insurance is transacted as a business and how the insurance market operates are also explained. The relationship between insurers and their customers and the importance of insurance contracts are discussed. Some commonly used insurance terms are also listed out. An overview of major life insurance and general insurance products is included as well.

Contents

Chapter 1: Risk Management: Provides an understanding of risk management - different types of risks - actual and consequential losses – management of risks – loss minimization techniques.

Chapter 2: The Concept of Insurance and its Evolution: The basics and nature of insurance – evolution and nature of insurance - how insurance operates today – different classes of insurance – importance of insurance - how insurance takes care of unexpected eventualities.


Chapter 4: The Insurance Market: The various constituents of the insurance market – operations of insurance companies - operations of intermediaries – specialist insurance companies – insurance specialists - the role of regulators – other bodies connected with insurance.

Chapter 5: Insurance Customers: Understanding insurance customers – different customer needs - importance of customers – customer mindsets - customer satisfaction - customer behavior at purchase point - customer behavior when claim occurs - importance of ethical behavior.

Chapter 6: The Insurance Contract: Terms of an insurance contract - principles which form the foundation of insurance - significance of the principle of insurable interest – the principle of indemnity - the principle of subrogation - the principle of contribution – disclosure of all relevant information - principle of utmost good faith - the relevance of proximate cause - the insurance contract.

Chapter 7: Insurance Terminology: Common terms used in insurance - terms common to both life and non-life insurance - terms are specific to life and non-life insurance – how insurance terms are used.

Chapter 8: Life Insurance products: The risk of dying early – the risk of living too long - different products offered by life insurers - term plans - pure endowment plans - combinations of plans - traditional products - linked policies - features of annuities and group policies.

Annexure: A write up on the history of insurance is provided.
IC-02 - PRACTICE OF LIFE INSURANCE
(Revised Edition: 2010)

Objectives:

To acquaint the candidates appearing for Licentiate Examination with the different aspects of life insurance, its different applications and its detailed features. It gives the reader an insight into the different types of life insurance plans & products, and its variations. The method of premium calculation and bonus, the different types of annuity plans, group insurance plans, etc., are explained in a lucid style, for an easy understanding. Topics on unit-linked policies, nomination and assignments, lapsation and revival of policies, surrender values and foreclosure, as also policy claims have all been brought out very well.

This book has additional features of (1) Examples, (2) “Test yourself” questions in every chapter - (3) Learning outcomes and (4) Pictorial and diagramatic representations for facilitating a good understanding of the subject.

Contents:


Chapter 2: Premiums and Bonuses: Concept of premium - Different types of premium - Different factors considered in calculating premium - Bonus in policies - Different types of bonus in life insurance policies.


Chapter 4: Annuities: Understand the concept of annuity -- Different types of annuity plans - Advantages and disadvantages of annuity -- Annuity Vs Life Insurance - Important terms used in annuity.

Chapter 5: Group insurance: Importance of group insurance schemes - Main features of group insurance schemes - Eligibility conditions in group insurance -- Different types of group insurance schemes - Group Term Insurance Scheme - Group Gratuity Scheme - Group Superannuation scheme - Types of group superannuation schemes - Group Leave Encashment scheme - Employees Deposit-Linked insurance Scheme - Group Insurance Scheme in-lieu of EDLI - Social Security Scheme.
Chapter 6: Linked life insurance policies: Concept of Unit-linked policies - ULIP premium and its break-up - Types of funds in ULIPS - Traditional plans vs ULIPS - How ULIPS work - Top Up & NAV - Features of ULIPS - Revival of ULIPS - IRDA guidelines on ULIPS.

Chapter 7: Applications and Acceptance: Fundamentals of life insurance contracts - Principles of utmost good faith - Insurable interest - Life insurance policy application and process - Proposal form and related documents.


Chapter 9: Premium payment, policy lapse and revival: Premium calculations - Surrender value and non-forfeiture options - Revival of lapsed policies and its types - Revival of postal life insurance policies.


Reference reading:
- Life and health insurance handbook—Davis. W. Gregg
Objectives:

This course primarily deals with practical aspects of General insurance within the framework of prevailing legislation and aims at familiarizing the reader with the market structure, procedures and practices, coverages under various insurance policies, underwriting practices, claims management, accounting, investments and customer service.

Contents:


Chapter 4: Fire & Marine Insurance Coverages: Fire insurance coverages – Marine insurance coverages – Types of Marine insurance policies, - Duty & increased value insurance.


Rating & Premium: Classification of risks – Discrimination – Bonus / Malus – Claims cost – Acquisition cost – Management expenses – Classification of products – Premium – Short period scales – Failure of consideration – Refund / return of premium – Advance payment of premium,


References & recommended reading:

1. General Insurance, John Magee & David Bicklhaupt
2. Operational Transformation of General Insurance Industry during the period 1950 to 1990 & Beyond, R D Samarth
3. Study on Distribution Functions in General Insurance & Role of Intermediaries, Arun Agarwal / P R Rao
4. General Insurance for Information Technology Professionals, Martin Frappoli.
Objectives:

The course is framed to create an appreciation of the importance of the Regulatory Environment necessary for the orderly and smooth functioning of the Insurance Business in India. The book puts forth the complex rules and regulations in a simple manner along with learning outcomes.

Contents:

Chapter 1: Development and growth of Life and Non-life Insurance industry in India – Nationalization of insurance Industry – Insurance association and Life and General Councils – GIBNA.


Chapter 9: International Trends in Insurance Regulation – Purpose and area of focus of regulations – Regulatory systems of other countries.

Annexure

Right to Information Act

Guidelines for Grievance Redressal by Insurance Companies

(Existing Course of Year of Edition 2000 is discontinued for fresh Registration.) For Already Registered candidates examinations will be conducted on the same syllabus up to May 2012) (Common for Life & Nonlife)

Chapter 1: Introduction to Information Technology, Data-Processing IT related applications in Insurance industry.


Chapter 3: Introduction to SSAD (Structured System Analysis and Design).

Chapter 4: Introduction to computer hardware - Types of computers - Generations of computers - Processing unit - Input/ output devices –Storage.

Chapter 5: Introduction to computer software - Operating system of computer - Application packages.

Chapter 6: Financial application software –Payroll, Insurance software etc.

Chapter 7: General purpose standard software packages - Word Processing - Database Management Spreadsheet - Computer languages - Office Automation packages - Word processors (WP), Spread sheets (SS), databases and desk top publishing (DTP). - Computerization in insurance industry.

Chapter 8: Glossary: The different constituents of a information technology department and their functions - system analysis, programming, operations, systems administration, and network administration.
IC-22 LIFE INSURANCE UNDERWRITING
(Revised Edition: 2011)

Objectives:

To acquaint the candidates appearing for Associateship Examination with the principles and concepts of underwriting, providing them an over-view of financial underwriting, impact of occupation, residence and avocations on decision making in underwriting, the current trends, processes and practices adopted in underwriting by life insurance companies today. It also covers topics on reinsurance, the anatomy and physiology of the human body with the diseases and medical conditions, and their impact on underwriting life insurance policies. The glossary and the annexures section also further helps the understanding of underwriting of life insurance policies.

Contents:


Chapter 7: Blood Disorders: Functions of blood - Components of blood - Functions of blood cells - Key components of the CBC (Complete Blood Count) - Peripheral blood smear - Anaemia, its causes and classification - Iron Deficiency anaemia - Thalassemia - Risk assessment of anaemia - Other important disorders of blood - Polycythaemia - Leukaemia - Lymphomas - Idiopathic Thrombocytopenic Purpura (ITP) - Haemophilia.

Chapter 8: Nervous System: Components of the nervous system - Main structures of CNS (Central Nervous System) - Brain Stem - Spinal Cord - Main Component of the Peripheral Nervous system - CSF (Cerebro Spinal Fluid & the meninges) - Common disorders of the nervous system - Common signs and symptoms of the Nervous System disorders - Common investigations done for diagnosing Disorders of the Nervous system - Common nervous system disorders - Neurovascular disorders - Stroke - Aneurysmal Subarachnoid hemorrhage - Underwriting considerations - Underwriting epilepsy & underwriting considerations.


Chapter 10: Thyroid diseases: Thyroid gland - Common problems encountered with the thyroid gland - Hypothyroidism and its main causes - Hypothyroidism - Diagnosis, treatment & underwriting implications - Hyperthyroidism - Graves Disease - Goiter - Diagnosis, treatment and Underwriting implications of hyperthyroidism.


Chapter 13: Gastrointestinal (Digestive) System: Introduction - Common terminology and investigations of the digestive tract - Disorders of the digestive system - Tumors of the gastrointestinal tract - Liver functions tests (LFT’s).

Chapter 14: Cardiovascular System: Introduction - Common terminology used in the diseases of the cardio-vascular system - Blood circulation - Common symptoms of disorders of the cardiovascular system - Common investigations for diagnosing disorders of the cardiovascular system - ECG-ECHO Cardiogram / ECHO Doppler - Exercise Stress test (Stress test/ Tread-meill test) - Coronary angiography - Nuclear cardiology - Cardiac CT - Blood pressure and Hypertension - Types of hypertension - Complications of hypertension - Underwriting implications - Coronary Artery disease (CAD), Coronary Heart Disease (CHD) - Ischemic Heart disease (IHD) - Risk factors - Symptoms & signs of CAD - Types of Coronary Artery Disease - Treatment of Coronary artery disease - Invasive and surgical procedures - complications of heart diseases - Underwriting information - Risk assessment of CAD - Valvular Heart disease, causes, treatment and underwriting considerations - Types of Congenital Heart Diseases - Underwriting considerations.

Chapter 15: Special Senses: Disorders of the eyes, ears and nose: -

EYE - Anatomy of the eye - disorders of the eye - Cataract - Glaucoma - Retinopathies - Retinal detachment - Refractive errors - Blindness - Strabismus/squint –Underwriting considerations of each other eye disorders.

EARS - Anatomy of the ears - Disorders of the ear - Otitis - Acute otitis media - Chronic Otitis media - Deafness - Presbyacusis.


Chapter 16: Glossary:
Definition of commonly used terminology in underwriting

Annexures:
Section containing commonly used forms, and questionnaires in underwriting.

Reference Reading:

• Underwriting Principles-Author -, Joseph F Mangan / Connor M Harrison
• Advanced Underwriting Techniques--Author --, Joseph F Mangan / Connor M Harrison,
• Guide to Life Assurance Underwriting including short glossary of medical terms--Author – J.E.Evans, J E / W N Mann /
• Underwriting management--Author – C.I.I.
• Underwriting Practice--Author – C.I.I.
• Life and disability underwriting-C.I.I.
• Life and health insurance underwriting --Author – Mary C. Bickley /Barbara Foxenberger Brown / Brown Jane
• Life Insurance Underwriting --Author – K.C.Mishra / R.Venugopal
IC-23 APPLICATIONS OF INSURANCE

(Revised Edition: 2011)

Objectives:

To acquaint the candidates appearing for Associateship Examination with the different types of life insurance and health insurance policies. It gives the reader an insight into concepts of financial planning and plans of pensions and annuities. The book also highlights the importance of reinsurance, the different tax laws and the claims management process. It also brings out the salient features and concepts of Takaful insurance (Islamic Insurance).

Contents:


Chapter 14: Health Policies: Need for health insurance policies--Advantages of Health Insurance plans - Modes of Operating Health Insurance plans - Types of health insurance plans - Life Insurers & Health Insurance - Long-term –care insurance - Disability Income insurance - Personal Accident policy - Unit-linked health insurance policies - Health protection policies - Hospital Cash benefits - Surgical Benefits - Domiciliary Treatment Benefits - Riders on insurance policies - Global view of health insurance.

Chapter 15: Pensions and Annuities: Pensions - Retirement benefits - Gratuity - Employees’ Provident Fund - Employees’ Deposit Linked Insurance plan - Employees’ Pension Scheme - PFRDA (Pension Fund Regulatory and Development Authority) - Group Annuity Scheme - Advantages of PF managed by insurance companies - Advantages of Superannuation fund managed by insurance companies - Cash accumulation system - Types of Annuities - Administration of group superannuation schemes - Types of Annuities in UK. - Types of occupational annuity schemes - Retirement plans in the U.S. - Hybrid & Cash balance plans - Individual Retirement Accounts (IRA’s) - KEOGH or HR10 Plans - Fixed Deferred Annuities - Variable deferred
annuities - Fixed Annuities - Joint-Life Annuity - Equity-indexed annuities - Split Annuities - Immediate Annuities - Deferred annuities - Unit-linked deferred pension - Immediate annuities - Annuity certain Lifetime annuity - Annuity with life cover etc.


Reference reading :

- Takaful Islamic Insurance—Concepts and regulatory issues. (Author - Archer Simon / Karim Rifaat Ahmed Abdel / Nienhaus Volker) --Publisher - John Wiley & Sons (Asia) Ltd. --Year of Publication - 2009

IC24 LEGAL ASPECTS OF LIFE INSURANCE

(Revised Edition: 2010)

Objectives:

Every life insurance policy involves a contractual relation between the insurer and the insured. The course is designed to help the student understand the legal principles and provisions of the life insurance contract. Starting with the sources from which law is derived, the course takes the students through the salient aspects of the life insurance contract, the rights and obligations of both parties to the contract and the legal environment within which life insurance practice is carried out.

Contents:

Chapter 1: Sources of Law: Definition of law - statute law and common law.

Chapter 2: Administration of Justice in India: The Supreme Court and other Courts - Arbitration and consumer forums - various laws and acts like shops and establishments act- Right to Information act- Cyber laws and prevention of money laundering act.

Chapter 3: Law of contracts: Elements of a contract like offer and acceptance - capacity of parties to contract - consensus ad idem - consideration and legality of object- Salient features of the life insurance contract like the principles of indemnity, insurable interest and Utmost Good Faith.

Chapter 4: Provisions of Life Insurance Contracts: Proposal and policy- Policy conditions and privileges - like days of grace- lapse and revival- surrender and loans- accident benefits

Chapter 5: Group life Insurance and other schemes: Group life insurance- Superannuation and Gratuity schemes- Reinsurance- Key man and Property Insurance.

Chapter 6: Life Insurance policies as property: Life insurance as actionable claim and mortgage- Policy loans- Stamp Act provisions.


Chapter 11: Legal status of individuals and life insurance: Nationality- Domicile and Citizenship - Exchange control regulations- Life insurance transactions involving foreign currency, like premium collection and settlement of claims.


Chapter 14: Life Insurance Legislation abroad and Policy Initiatives in India: Life Insurance laws in UK, USA and the European Community- Insurance initiatives in India- formation of Malhotra Committee on Reforms in Insurance sector- Formation of IRDA.

IC25 LIFE ASSURANCE MANAGEMENT - Year of Edition 2000

(Existing Course of Year of Edition 2000 is Discontinued for fresh Registration.) For Already Registered candidates existing course of Year of Edition 2000 is applicable up to May 2012)


IC 26 LIFE INSURANCE FINANCE- Year of Edition 2011 (Revised)

Chapter 1: Elementary Principles of Accounts
Chapter 2: Life insurance business : Important types of insurance policies.

Chapter 3: Accounting Procedures - Premium Accounting

Chapter 4: Accounting Procedures – Disbursements - Including – Free looks, Policy Payment including Claims, (Special Emphasis On Ulip Claims) Accounting and Health, Insurance.
Chapter 5: Accounting. Expenses of Management (Special Emphasis On Ulip & Health Insurance Exp. Which Requires Allocation To Several Head)
Chapter 7: Final Accounts – Revenue Account and Balance sheet as per IRDA Requirements (POLICYHOLDERS AND SHARE HOLDERS A/C.,)

Chapter 8: Budget and Budget control.

Chapter 9: Innovative Concepts in Accounting,

Chapter 10: Accounting Standard Applicable to Life Insurance Companies,

Chapter 11: Analysis..

Chapter 12: Financial Management Environment in India.

Chapter 13: Application Of Financial Management Concept In Insurance Industry.

Chapter 14: Taxation (Current Scenario)
Chapter 16: Compliance With IFRS (Involving broader concepts)
IC-27 HEALTH INSURANCE
(First Edition: 2010)

Objectives:

To acquaint the candidates appearing for Associateship Examination with the evolution and growth of health insurance sector in India, the constitutional provisions in areas of public health and its different financing models. It gives the reader an insight into the different types of health insurance products, health insurance pricing and the regulatory and legal aspects of health insurance. The book also highlights the importance of reinsurance in health insurance. It also brings out critical aspects with reference to the different kinds of insurance frauds, and methods to combat and mitigate them.

Contents:

Chapter 1: Introduction to Health Insurance: What & Why of Health insurance—Evolution and growth of Health insurance in India - -Understanding the Health System in India - Constitutional provisions in areas of Public Health - -Government Health Dept. at the Central level, State level & District & local levels - -Infrastructure of the Health care system - -Public & Private Health Centers & Health care providers.

Chapter 2: Health financing models and health financing in India: Health financing models - Financing of Health in India - -National Rural Health Mission - Challenges of access to Health care and Service Quality - - Health insurance mechanisms & Financial Protection.


Chapter 5: Health Insurance policy forms and clauses: Health insurance contracts - Insurance contracts VS other contracts - Proposal forms used in health insurance - Comparison of proposal forms & questionnaires of health insurance with Personal Accident insurance, Life insurance & Group Insurance…Disability benefit plans or Income Protection - -Long term care plan - Health Savings / Investment Linked plans - -Group Health Insurance Schemes - Commonly used clauses in health insurance - Pre-existing diseases and exclusions - Cancellation Clause - Renewability clause - Standardization of definitions, forms, non-medical expenses in health insurance, standardization w.r.t treatments (STG).
Chapter 6: Health insurance data, pricing & reserving: Importance and use of data in health insurance for insurers, regulators, government, TPA’s and other stake-holders - Data mandated from insurance companies by regulators - Data warehousing - Collection and collation of data - Data interpretation and advanced analysis of data - Insurance Information Bureau - Actuarial function in health insurance companies - Actuarial techniques - Fundamentals of pricing - Claim reserving - Data and data modeling.

Chapter 7: Regulatory and legal aspects of health insurance: Principles and practice of health insurance regulations - Need for regulations in health insurance - Various kinds of risks in health insurance - Regulatory structure - Licensing and registration - Types of regulations - Enforcement of regulations - Monitoring activity by regulators - Prevention of mis-selling - Health insurance regulations in India - Policy holder’s regulation and Grievance re-dressal system - Health insurance for rural and informal sector workers - Role of IRDA in initiatives for standardization - Pre-existing diseases( PED’s) - renewability of health insurance policies.

Chapter 8: Customer service in health insurance: Consumer protection & policyholder’s protection - Claim servicing - types of cashless claims - Grievance redressal - survey on grievance redressal.

Chapter 9: Health Insurance fraud: Introduction - Cause and effects of frauds - Classification of frauds - health insurance frauds Vs general insurance frauds - types of frauds by the consumers - stages of insurance frauds - cash defalcation - types of fraud during in the contractual period and claims stage - methods to combat and mitigate insurance frauds - technology and process interface - initiatives by IRDA and the industry.

Chapter 10: Reinsurance: Definition of reinsurance - utility of reinsurance - health insurance and reinsurance models - products supported by reinsurers - white labeling - social reinsurance - annual reinsurance programme.

Reference reading:

- Health Insurance Primer : Study guide Part A-Author – American Health Insurance Plans / Place - Washington DC., Publisher - American Health Insurance Plans
- Health Insurance nuts and bolts : Study guide part B- Author – American Health Insurance Plans / Place - Washington DC., Publisher - American Health Insurance Plans
- Life and health insurance handbook—Davis. W. Gregg
- Health Insurance –Author—O.D. Dickerson
- Evaluating the Health Insurance Risk –J.M. Wickman
Compound Interest,
Accumulated Value, Present Value Investment Value,
Level Annuities, Variable Annuities,
Redemption of Loans,
Further Compound Interest and Annuities certain,
Probability, Mortality Table, Construction of Mortality Table,
Well Known Mortality Tables and Indices for comparison of different mortality tables,
Life Assurance Premiums, Assurance Benefits, Net Premium for assurance plans, Net Premium for Annuity Plans,
Premium Conversion Tables, Office Premiums,
Policy values, Further Life contingencies.
IC 45 GENERAL INSURANCE UNDERWRITING
(First Edition: 2010)

Objectives:

This course aims at familiarizing the reader with the concepts, principles, practices & procedures adopted by insurers in underwriting all classes of non-life insurance. The course also examines the impact of relevant IRDA Regulations on aspects of rating, underwriting, protection of policy holder’s interests, as well as the significance & importance of research, development and applications of information technology.

Contents:


**Chapter 8: Types of Policies:** Classification of Insurance Covers by Subject Matter – Insurance of Property, Earnings/Profits, Liability and Persons – Classification by Insurance Act – Classification by Market Segments – Classification by Perils (Named Perils and All Risks) – Customised Policies – Special Covers.


**Chapter 10: Protection of Policyholder’s Interest:** IRDA Protection of Policyholder’s Interest Regulations 2002 – Stipulations relating to Point of Sale – Proposal – Grievance Redressal Procedure – Policy Contents – Claims Procedures – Servicing – Mutual Obligations – Policyholder’s Awareness – Disclosure by Insurers/


**Chapter 13: Glossary of Terms.**

**References & recommended reading:**

5. Advanced underwriting techniques, Joseph Mangan & Harrison Connor
7. Study on Distribution Functions in General Insurance & Role of Intermediaries, Arun Agarwal / P R Rao
8. General Insurance for Information Technology Professionals, Martin Frappoli.
Chapter 1: Accounting Scope

- Contents - Principles and Standards - Financial Accounting—Meaning and Scope

Chapter 2: Depreciation Accounting


Chapter 3: Reinsurance Accounting


Chapter 4: Annual Reports


IC 51 FIRE HAZARDS OF SPECIFIC INDUSTRIES
(For already registered candidates Existing course of Year of Edition 2001 is Continued up to May 2012)


IC 52 General FIRE HAZARDS (For already Registered candidates Existing course of Year of Edition 2001 is Continued upto May 2012)


IC 54 FIRE INSURANCE UNDERWRITING
(For already Registered candidates Existing course of Year of Edition 2001 is Continued upto May 2012)

Application of basic principles to fire insurance - Structure of All India Fire Tariff and Rules and Regulations there under - The Standard Fire and Special Perils Policy - Coverage, exclusions and conditions - Add-on covers - Floater policies, Declaration policies, Floater-Declaration policies, Reinstatement Value policies - Insurance of rent and additional expenses for alternate accommodation - Special clauses - Theory of rating - Tariff system of rating - Basic rate, discounts and extra premium - Method of computation of Rate - Fire Insurance documents - Proposal form - Risk Inspection report - Acceptance-cum-Receipt - Renewal Notice - Cover note - Drafting of policies and endorsements - Calculation of premium - Underwriting - Retention's - Probable Maximum Loss - Reinsurance - Petrochemical Risk - Industrial Risks policy - Mega risks - Fire insurance practice in the U - K - and the U.S.A.
IC 55 CONSEQUENTIAL LOSS (FIRE) INSURANCE
(For already Registered candidates Existing course of Year of Edition 1999 is Continued upto May 2012)

History, evolution and scope - Effects of interruption - Conditions and exclusions - Underwriting - Rating – Forms - Determination of loss - Extensions and additional perils.

IC 56 FIRE INSURANCE CLAIMS
((Revised Edition: 2011)

Principles of Fire Insurance - Utmost Good Faith, Insurable Interest, Indemnity, Subrogation and Contribution – Standard Fire and Special Perils Policy - Coverage - General exclusions – Add-on Covers and related exclusions - Special Clauses applicable to basic cover and Add-on covers. – Conditions and Warranties - Various Fire Warranties – Situations leading to Non-Standard Claims settlements and Ex-gratia settlement and their features
Objectives:

The objective of this course is to familiarize the reader with the coverage under Fire & Consequential Loss (Fire) Insurance policies and specialized policies for large industrial & petrochemical risks. The course also specifically deals with fire hazards & loss prevention, risk inspection report, rating & underwriting systems, policy drafting and legal, practical and procedural aspects of claims.

Contents:

Chapter 1: Basic Principles & The Fire Policy:

Chapter 2: Add On Covers & Special Policies:

Chapter 3: Fire Hazards and Fire Prevention:
- Hazard Based Risk Classification – Originating Hazards – Contributory Hazards – Hazards Originating from Construction – Constructional Features - Silent Risk – Hazards Arising from Goods – Miscellaneous Hazards – Fire Protection Systems – Good Housekeeping,

Chapter 4: Erstwhile Tariff Rules & Rating:

Chapter 5: Documents:

Chapter 6: Underwriting:

Chapter 7: Claims Legal Aspects:

Chapter 8: Claims Procedural Aspects:

Chapter 9: Consequential Loss Insurance 1:

Chapter 10: Consequential Loss Insurance 2:

Chapter 11: Specialised Policies & Overseas Practice:

References & recommended reading:

1. Business interruption insurance,
2. D Cloughton,
3. Principles and practice of fire insurance in the United kingdom, Frank Godwin
4. Small fire surveys, J Hunter Cox
Objectives:

The course describes various types of Fire insurance policies as available and practiced in India & abroad. Objective of this course is to familiarize the reader with such policies along with the principles & practices of Rating & Underwriting of Fire insurance coverages.

Contents:


Chapter 3: General Conditions, Exclusions and Warranties: Deliberations on Conditions No. 1 to 15 – Policy Exclusions – Warranties,


Chapter 7: Add on Covers: Architects Surveyors & consulting Engineer’s Fees - Removal of Debris – Spontaneous Combustion – Earthquake – Forest Fire – Spoilage Material Damage – Leakage & Contamination,


References & recommended reading:

5. Fire insurance: theory and practice, Smith & Francis
7. Fire underwriting in theory and practice, George Hurren
8. Principles and practice of fire insurance in the United kingdom, Frank Godwin
9. Small fire surveys, J Hunter Cox
10. Business Interruption Insurance, D Cloughton
IC 59 – FIRE INSURANCE RATING & UNDERWRITING
(First Edition: 2011)

Objectives:

The objective of this course is to familiarize the reader with the concepts, principles & practices of Rating & Underwriting of Fire insurance business. The course also specifically deals legal, practical and procedural aspects of rating and underwriting as well as claims case studies and redressal mechanisms available to the insureds in case of complaints.

Contents:


Chapter 7: Special Policies & Clauses: Floater Policies – Declaration Policies - Floater Declaration Policies – Reinstatement Value Policies & Extension Clauses such as Local Authorities

Chapter 9: Protection of Policyholder’s Interests: IRDA Regulation and its Important Features,


Chapter 11: Overseas Practice: Practice in U.K. relating to Standard Fire cover / All Risks Policy / Treatment of Other Perils / Fixation of Sum Insured / Combined Policies / Package Policies – Practice in the U.S.A.

References & recommended reading:

11. Fire insurance: theory and practice, Smith & Francis
13. Fire underwriting in theory and practice, George Hurren
14. Principles and practice of fire insurance in the United kingdom, Frank Godwin
15. Small fire surveys, J Hunter Cox
IC 61 CARGO LOSS PREVENTION
(For already registered candidates Existing course of Year of Edition 2000 is continued up to May 2012)


Material handling: Safe handling practices for various types of packages and cargo. Road transportation of hazardous substances – Motor Vehicles Act and Rules – Loading and unloading operations and suitability of cargo handling gear, safe working practices and systems.

Common causes of loss/damage to cargo during inland transit by rail/road and minimization of losses.- Stowage on board ships: Types of damage cargo can suffer from improper stowage and how this can be avoided through correct preparation of cargo holds to receive various types of cargo. - Unitization and containerization: Major types of losses to which unitized/container cargo is prone to General stowage rules for safe carriage of unitized cargo – containerization of dangerous cargo – JMDG Code – Multi Modal transportation. - Theft/ Pilferage: - Ports and customs procedures.

IC 62 COMMERCIAL GEOGRAPHY
(For already Registered candidates Existing course of Year of Edition 1999 is Continued up to May 2012)

Scope and relevance to marine insurance. - International trade and factors governing supply and demand. - Study of basic geographical concepts, like the Solar System, Latitudes and Longitudes, sea depth distribution, ocean currents, tides, coral reefs and islands, etc. Earthquakes and volcanic eruptions and areas prone to these catastrophes. - Institute Warranties and their application. - A detailed study of the main sea routes of the world, including Suez and Panama Canal Routes and geographical and commercial factors involved. - Rail and Road Transportation - Coastal trade - Air transport. - The attributes of ports, harbors and hinterlands. Principal ports of the world including a study of conditions in each such port, Geographical location, extent of commercial importance and facilities available for handling and storing cargo etc. - Major principal commodities.
IC 63 MARINE CLAUSES
(For already Registered candidates Existing course of Year of Edition 1999 is Continued upto May 2012)


IC 65 MARINE UNDERWRITING
(For already Registered candidates Existing course of Year of Edition 1999 is continued up to May 2012)

Marine insurance market in India and the U.K. - Marine Insurance associations and marine publications. - International and domestic trade - Markets, parties to a contract and role of intermediaries. - Contracts of sale – INCOTERMS. - Finance for trade (Bills of exchange, documentary credits, etc.) - Underwriting documents - Rules of interpretation - Payment of premium - Stamp duties - Exchange control regulations regarding payment of premiums. - Risks and rating factors in Cargo Underwriting. - Types of commodities, methods of packing, stowage and their susceptibility to loss or damage - extraneous risks and their effects on cargo. - Containers, pallets and multi-modal transport systems and the particular characteristics of these systems. - Common types of vessels including their operating and risk characteristics. - Types of policies to cover ship owner's insurable interests. - Salient features of Institute Time Clauses Hulls (1.10.83). - Hull underwriting and rating. - P & I cover in general. - Types of maritime frauds and precautionary measures for their prevention. - Abbreviations - Shipping, insurance and commercial terms. - New developments in underwriting in the international market.
Objectives:

This course is designed to provide a comprehensive understanding of the principles and practices of processing and settlement of claims under Marine Cargo, Hull and Freight Insurance policies. It emphasizes on developing an appreciation for various methods for assessment of claims and the risks covered. The focus is on providing a complete understanding of the procedures and calculation aspects of the claims and the conventions guiding them.

Contents:

Chapter 1: The underlying principles of Insurance – factors for determination of claim-terminologies relevant-third parties associated with handling of losses.


Chapter 3: Procedure for intimation of claims- How claim arises under Constructive Total Loss and Particular average-Amount Recoverable-Detailed explanation of General Average Sacrifice, Expenditure and Contribution - Actual Total Loss Amount recoverable-Normal, Natural or ordinary losses - Trade losses


Chapter 5: Cargo claims Procedure- Exchange Control regulations affecting claims- Direct Insurance outside India-Currencies in which marine Policies may be issued- Remittance of claims on exports – Payments in foreign currency of certain import claims- Customs clearance procedure- Refund of Duty-Bill of entry form.


Chapter 7: Recoveries- Carriage of goods by Rail - Duties of Railways as a carrier- at owner’s risk – Goods in defective condition-Carriage in open wagon-Delivery at private siding-Rail clearance procedure-Railway Claims Tribunal Act – Carriage by Road – legal aspects- Clearance


Recommended Books

The Principles of Marine Insurance - A.Primer by Harold Turner


IC 67 MARINE INSURANCE

(Revised Edition: 2010)

Objectives:

This course familiarizes the students with Principles and Coverage’s under Marine Cargo and Hull policies .It explains the considerations of rating and underwriting along with claims procedures to be followed .It also helps develop an understanding of General Average and its adjustments from Insurance perspectives and informs about the procedural aspects of recoveries from various third parties and measures for prevention of Maritime fraud.
Contents:


Chapter 9: Marine Claims – Actual Total Loss – Constructive Total loss – Particular Average – Salvage Loss – General Average Loss – Sue and labour charge – Particular Charges – Salvage


Recommended Books for Reading

IC -68 MARINE INSURANCE COVERAGE
(First Edition: 2010)

Objectives:

The contents of this book are designed to develop a better understanding of concept, principles and practice of Marine insurance. It also helps to acquire in-depth knowledge of the clauses providing the coverage or exclusions for the Marine risks. It also acquaints them with trading clauses for various commodities.

Contents:


Chapter 3: Inco Terms – Purpose and Inferences - Structure of Incoterms - Relevance of Inco Terms.

Chapter 4: Marine Insurance Coverages – Institute Cargo Clauses – Exports and Import trading-Marine Cargo policies.


Chapter 17: War covers for Marine Hull – coverages and scope – War risk time policy – Institute war and strike clauses.


Recommended Reading

IC-69 MARINE INSURANCE RATING AND UNDERWRITING

(First Edition: 2010)

Objectives:

The syllabi of this book is structured to give a holistic view of the evolution of Marine Insurance Market. It helps to acquire a basic knowledge of various modes of transports and the Ports across the world and their risk features. It is designed to provide comprehensive understanding of the Coverage’s and the operational aspects of Underwriting and Rating Marine Cargo and Hull Insurance. It helps to grasp the significance of Reinsurance in covering Marine Risks

Contents:


Chapter 3: Inland Ports – Harbour - Importance of Port for Insurance – Kinds of Ports – Major Indian Ports – Minor Indian Ports.

Chapter 4: Marine Declaration Form - Cover Note – Marine Policy – Endorsements – Payment of Premiums as per sec 64 VB –Rules 58 and 59 for premium payment – Exchange control regulations for Premium payment on cargo policies covering import and export - Open Cover – Open Policies – Certificate of Insurance.

Chapter 5: Institute Classification Clause ICC(A)- ICC(B)- ICC(C) – Common Coverage’s and exclusions – Inland transit Clause(A),(B),(C) – Rail \Road - Strikes ,Riots and Commotion clause – Inland Vessels - Premium considerations- Duty and Increased value Insurance – Special Storage risks Insurance -.

Chapter 6: Cargo Underwriting rating considerations - The Vessel – Approval of Vessels Operation – the Voyage or transit – Nature of Cargo – Theft ,Pilferage and Non Delivery – rain water Damage – Types of damages – Conditions of Insurance .

Chapter 7: Important Ports of Asia and some main Foreign Ports.


Chapter 10: Types of offshore Oil and Gas exploration units – factors for underwriting – seamless cover and operational covers.


Recommended Reading

Objectives:
This course aims at providing a broad overview of Agricultural Insurance. The thrust is on understanding Agricultural/ Crop insurance as a distinct type of insurance, how it is operated abroad and how it evolved in the Indian market. The readers are introduced to different approaches – weather - based, yield - index - based, area - based etc that are followed by practitioners. The course covers insurance of livestock and a few insurances that are traditionally designed for the same market and go with agricultural insurance.

Coverage includes policy design, underwriting, reinsurance and claims considerations.

Contents:

Chapter 1: Introduction to Indian Agriculture: Situation of Agriculture in India - Growth of Agriculture over the years - Role of Agriculture in Indian Economy - Agriculture Distribution and Indicators - Agricultural Census - Agricultural Resources - Land records computerization.

Chapter 2: Risks in Agriculture: Agricultural Risks - Changing face of Agricultural Risks in India - Climate Change and Agriculture - Managing Agricultural Risks.

Chapter 3: Evolution of Crop Insurance in India: Individual based crop insurance - Pilot Crop Insurance Scheme (PCIS) - Comprehensive Crop Insurance Scheme (CCIS) - Experimental Crop Insurance Scheme (ECIS) - National Agricultural Insurance Scheme (NAIS) - Farm Income Insurance Scheme (FIIS) - Types of Agricultural Insurance - Obligations of insurers in rural sector – Formation of Agriculture Insurance Co of India Ltd.

Chapter 4: Crop Insurance Design Considerations: Insurability of Agricultural Risks – Concept of Agricultural relief – Risk Management considerations – Area based approach Crop insurance and Credit Loss Adjustment – Reserves and Reinsurance - Generic considerations in policy design and operations.


Chapter 7: Traditional crop insurance: Hail insurance - Conceptual framework - Plantation/ Horticulture/ Floriculture insurance schemes - Traditional crop insurance - Premium rating, Underwriting and Claims.

Chapter 8: Agriculture insurance in Other Countries: Agriculture insurance in developed countries like US, Canada, Spain, Japan, Italy, Sri Lanka, Mexico etc. - Role of Global Multi-Lateral financial institutions in promoting index based crop insurance scheme (World Bank, World Food Program etc.) - Problems associated with crop insurance – an introduction to Micro-insurance.

Chapter 9: Livestock wealth in Indian economy: Importance of livestock in rural India; Potential markets for dairy and poultry products; National Dairy Development Board; Military Dairy Farms; Government’s efforts to promote livestock production, etc.

Chapter 10: Types of cattle & buffaloes:- Cattle and buffalo breeds – breeding farms in India - Common diseases - Valuation of cattle - Cattle markets and cattle shows - Effect of climate on cattle/ buffaloes - Livestock census.

Chapter 11: Cattle insurance in India: History of Cattle insurance - Cattle insurance policy – Livestock insurance schemes promoted by Central government etc. Cattle insurance policy – Loss assessment & settlement, Loss minimization, Methods of identification of cattle - Weather index based livestock insurance of Mongolia.


Chapter 13: Miscellaneous Agriculture insurance schemes: Insurances of sheep, goat, horse, pony, mule, donkey, pig, camel, rabbit, elephant, dog, inland fish, silkworm, honey bee etc. – Insurance of Animal driven cart, hut, Farmers’ package insurance policy, etc. - Agricultural Pump-set insurance - Personal Accident insurance covers – Janata, Gramin, Tribals etc. Farmers’ package.

Chapter 14: Agriculture Reinsurance: Need for agriculture reinsurance – principles and benefits – Creation of capacity. Various techniques used in Agriculture reinsurance - Future of Agriculture reinsurance in India.

Suggested Further Reading:
2. Agriculture Risk & Insurance in India , Dr. S S Raju & Dr. Ramesh Chand, NCAEPR, New Delhi, 2010, Books for Development, Bangalore, info@booksfordevelopment.org.
IC 72 MOTOR INSURANCE
(Revised Edition: 2010)

Objectives:

This course aims at acquainting the learner with Motor Insurance. It gives a detailed understanding of how insurance principles and legal aspects are applied in Motor Insurance. Different types of Motor insurance policies are dealt with in detail. Documentation specific to Motor Policies, important clauses, claims procedures and importance of data analysis are discussed to provide the learner with many of the practical aspects of Motor insurance. Matters like Motor third party pool, Tribunal and Governmental schemes and discussed. Where relevant, practices abroad are also mentioned.

Contents:


Chapter 3: Legal Aspects 2: Motor Accident Claims Tribunals - Lok Nayalaya - Jald Rahat Yojana - International practices in third party insurance.

Chapter 4: Motor Policies 1: Types of Motor Policies – Coverage under Liability Only and Package Policies - Policy conditions - Add on covers – Exclusions


Chapter 12: IT Applications in Motor Insurance: Importance of Statistical data in motor insurance – Tariff Advisory Committee as statutory data repository – Data Inputs - Underwriting Data – Claims Data – Reports.

Suggested Further Reading:
2. Law of motor insurance, Merkin, Robert Stuart-Smith, Jeremy Q.C., Sweet and Maxwell, 2004,
IC 73 - PERSONAL ACCIDENT, SICKNESS AND MISCELLANEOUS INSURANCE
(For already Registered candidates Existing course of Year of Edition 1999 is Contained up to May 2012)

Personal Accident Insurance - Basic Principles - Coverage and Benefits - Provisos and Exclusions –
Rating - Extensions - Discounts - Claims procedures - Group policies.
Mediclaim - Benefits - Exclusions - Discounts - Conditions - Group - Claims - Cancer policy –
Deferred mediclaim. - Overseas medical - Benefits and conditions –
Exclusions - Overseas practice. - Anatomy and physiology - Types - Burglary - Scope - Exclusions
- Extensions - Underwriting - Survey - Claims. - Baggage –
Underwriting - Claims. - Money in transit - Exclusions - Conditions - Extensions - Underwriting. -
Fidelity guarantee - Coverage - Types - Conditions - Underwriting - Investigation.

Court Bonds - Liquidator and Receivership Bonds - Government bonds. –
Banker's Blanket and Jewellers Block policies - Exclusions - Conditions - Rating - Claims. –
Other miscellaneous policies - Pedal cycle - Plate glass - Special contingency - Missing documents
- Neon sign - Blood stock (Horse) - Pet dog –
IC 74 –LIABILITY INSURANCE

(Revised Edition: 2011)

Objectives:

The objective of this course is to familiarize the reader with the concepts, principles & practices adopted by insurers in the class of insurance business which deals with legal liability. The course also examines the latest enactments and insurance product arising out of social and economic developments in the society. Specimen wordings of Policy, Proposal & Risk Assessment Forms for Public & Product Liability Insurance form part of the course contents.

Contents:

Chapter 1: Introduction: What is Liability – Classification of Legal Liability – Historical Background – Basic Principles of Insurance – Scope of Liability Insurance – Special Features of Liability Insurance,


Chapter 5: General Public Liability (Industrial/Non-industrial): Categorisation of Industrial & Non-industrial – Important Clauses, Exclusions and conditions of the Policy – Extensions of Coverage for Industrial & Non-industrial policies – Proposal Forms and Specific Questionnaires for different Risk Categories – rating


Chapter 9: Directors’ and Officers’ Liability: The Need for D&O Insurance – Policy Coverage – Exclusions – Claims Conditions – Policy Extensions – proposal Form – Rating,


Chapter 11: Claims: Common Features of Liability Claims – Claim Form for Public / Product Liability Claims – Investigation – Settlement – Claims Procedure under Compulsory Liability Policies – Workmen’s Compensation Claims,


References & recommended reading:

1. Property and Liability Insurance Handbook, John Long & Davis Gregg
2. Commercial Liability Insurance and Risk Management, Donald Malecki, Ronald Horn & Eric Weining
3. Liability Insurance Claims, Kenneth Cannar
4. Public Liability Insurance, J. B. Welson
5. Insurance of Public Liability Risks, S V Kirkpatrick
IC 77 ENGINEERING INSURANCE (Revised Edition: 2010)

Objectives:

This course aims at providing a comprehensive understanding of various aspects of Engineering insurance. The focus is on historical developments of the business and relevant legislation, principles and practices followed by insurers, related aspects like Reinsurance, risk management, risk inspections, loss prevention and special types of covers in international markets.

Contents:

Section I: The Engineering Insurance Business

Chapter 1: Development of Engineering Insurance and Relevant Legislation: Historical background - Development of Engineering Insurance in the international & the Indian Market - Statutes & Regulations that affect conduct of business in India,


Chapter 3: Types of Plant, Machinery, Equipment & Associated Hazards: Plant, machinery & equipment commonly found in all types of industries – their usage and associated hazards - Electrical machinery and hazards, Power plants and associated hazards,

Chapter 4: The Project stages, The Works Contract & Other contracts: Project Stages – Need, feasibility study, project planning, call for tender, award of contract, land acquisition and site preparation, transportation of project property, site activities and defects liability period – The works contracts – Other contracts,

Section II: Construction Phase Insurances

Chapter 5: Contractor’s All risks Insurance: Object – Scope of Cover – Exclusions – Period of insurance – Sum insured & underinsurance – Supplementary covers – Basis of indemnification – Policy composition – Assessment of risk and technical control – Rating structure – Instalment premium – Claims control,


Chapter 10: Endorsements including Supplementary Covers & Information required for framing Construction Phase insurance programme for project.

Section III: Operational Phase Insurances


Chapter 14: Electronic Equipment Insurance: Scope of cover – Section 1 Material Damage – Section 2 External Data Media – Increased Cost of Working (ICOW) – General exclusions – Special exclusions to each section – Sum insured, Average and Basis of indemnification for each section – Technical control & Underwriting considerations – Rating,

Chapter 15: Other Annual Policies: Deterioration of Stocks (DOS) Potatoes & others– Civil Engineering Completed Risks (CECR),

Section IV Other Related Topics

Chapter 16: Reinsurance: Reinsurance in India – Pre & post Nationalisation & liberalisation, Statutory cessions – Functions of reinsurance – Types & methods of reinsurance – Reinsurance programme Reinsurance aspects of Engineering insurance

Chapter 17: Risk Management, Risk Inspections & Loss Prevention: Risk management – Purpose of Inspections – Loss minimization in Engineering Insurance – Role of engineers – Role of general insurance companies in loss minimisation – Good housekeeping – Fire prevention on construction sites, Check-list for fire prevention – Site monitoring – Maintenance predictive & preventive,

Chapter 18: Special Types of Engineering Insurance Covers in International Markets: Comprehensive Project Insurance (CPI) – Comprehensive Machinery Insurance (CMI) – Construction Annual Floaters – Machinery Leasing insurance – Aero engine breakdown insurance.

References & recommended reading:

1. Engineering Insurance Its Principles and Practice, R. H. Procter
2. Machinery Loss Prevention Handbook, Munich Re,
3. Principles of property and pecuniary insurances incorporating construction and engineering insurances, CII
IC 78 MISCELLANEOUS INSURANCE

(Revised Edition: 2010)

Objectives:

The Insurance Act 1938 had classified all general insurances other than Fire and Marine as Miscellaneous Insurance. Over a period of time, insurances of motor vehicles, engineering, aviation, liability and health developed more and hence are dealt with as separate course material by III.

This course gives an overall view of various insurances that are referred to in the India market as Miscellaneous insurance, Rural Insurance, Non-traditional business, Specialized covers etc. An overview of Health Insurance is also given. Many of these insurances fall under different genres and are dealt with by experts. The course intends to provide a general awareness of these insurances.

Contents:


Chapter 4: Burglary Insurance: Introduction - Different IPC Sections and their relevance to Burglary Policy - Coverage - Exclusions – Conditions – Extensions - Underwriting Considerations - Rating Pattern - Claims Procedure – Investigation – Assessment - Types of Burglary Covers - Present day market scenario and demands.


Chapter 7: Bankers Indemnity and Jewelers Block Insurance:  Introduction - Coverage, Exclusions – Conditions - Special features - Underwriting Considerations - Rating pattern - Claims procedure.

Chapter 8: Other Miscellaneous Insurances: Pedal Cycle Insurance - Plate glass insurance - Missing Documents Indemnity - Neon Sign Insurance - Blood Stock (Horse) Insurance - Pet Dog Insurance - Sports Insurance etc.

Chapter 9: Package covers: Shopkeepers Package (Evolution and basic details) - Doctors Package - Office Protection – Package for Executives and Businessmen - Package Policies for Credit Societies – House Holders Package - Complete Package for Families etc.


Chapter 11: Reinsurance: Concept of Reinsurance – Types of Reinsurance – Reinsurance Programs in India.


Suggested Further Reading:
1. Indepth study of personal accident insurance business in India, Rao, P.R., National Insurance Academy, 1984.
2. Subjective risk in personal accident insurance, Munich Re Group, 2000,
4. Assessment of the moral hazard in personal accident insurance, Munichener Ruck, MunichRe
IC 79 LIABILITY AND ENGINEERING INSURANCE
(For already Registered candidates Existing course of Year of Edition 1999 is Continued up to May 2012)


FELLOWSHIP EXAMINATION

(Students are advised to learn from contemporary publications and be aware of the changes in the insurance industry. Upto 25% of questions may be asked from outside the Study Course duration of Exam of Fellowship is 3.00 hours.)

IC 81 MATHEMATICAL BASIS OF LIFE ASSURANCE – (Year of Edition 1991

Elements of compound interest, accumulated value and present value-nominal and effective rates of interest – immediate annuities certain and deferred annuities certain – perpetuities – functions included in compound interest tables and their uses.

Redemption of loans – Sinking funds – average interest yield on the fund of a life office.


General nature construction, characteristics and uses of mortality tables, mortality of Indian assured lives


IC-83 GROUP INSURANCE AND RETIREMENT SCHEMES

Year of Edition 1986

Objectives:

To acquaint the candidates appearing for Associateship Examination with the different kinds of group insurance and super annuation benefits and its different financing models. It gives the reader an insight into the different types of group insurance products, concepts and administration methodologies. The book also details out important facts w.r.t. Provident fund, Superannuation, Gratuity and group products. It also brings out critical aspects with reference to the kinds of taxation treatment of provisions of retirement benefits. The Appendix section illustrates the different types of formats etc. which are useful to the students in making the understanding of the subject better.

Contents:

1. Introduction:

2. Superannuation Schemes—I
   Object of the scheme—Development of superannuation schemes---Pension as a retirement benefit---Different ways of arranging pension schemes---Trustee Administered schemes vis-à-vis Insured schemes---Non-contributory schemes---Contributory schemes.

3. Superannuation Schemes—II
   Approved Schemes—Unapproved schemes---Minimum membership---Pattern of benefits---Pension on normal retirement—Commutation of pension---Pension in other contingencies.

4. Superannuation Schemes—III
   Methods of costing Pensions---Single premium costing---Annual premium costing---Cash accumulation system---Definite funding method---Indefinite funding method---Controlled funding---

5. Group Life Insurance Schemes I
   Object of scheme---Development of scheme---Development of scheme---Group insurance vis-à-vis individual insurance---Conditions for eligibility of group insurance---Eligible groups---Individual employer groups---Multiple employer groups---Labour union groups---Creditor-debtor groups---Miscellaneous groups---Financial aspects of group insurance---Group selection.
6. Group Life Insurance Schemes II

Rate making in group insurance---Experience rating---Benefits of group insurance---Group insurance scheme in-lieu of E.D.L.I.Scheme 1976---Group creditor insurance—Level premium temporary Assurance plan—Group insurance from non-employee groups—Unit Linked insurance scheme—Group Savings—linked Insurance scheme.

7. Gratuity Schemes:

Object of the gratuity scheme—Evolution of gratuity as a Service benefit---Nature of liability---Need for funding gratuity liability---Different ways of funding gratuity liability---Payment by employer---Creation of internal reserve---Funding through Trust---Group Gratuity scheme---Combination of plans---Group gratuity scheme—a tripartite arrangement---Trustee administered scheme Vs Insured Scheme---Life Insurance Benefit---Experience rating adjustment---Nomination ---Disclosure of gratuity liability in Balance Sheet---Methods of costing---Cash accumulation system---

8. Provident Fund & Employees’ Family Pension and Deposit-linked insurance

Schemes:

Recognised Provident fund---Employees Provident Fund Scheme---Administration---Employees Family pension scheme—Employees deposit-linked scheme.


Why tax relief---Recognised Provident funds---Income Tax Relief---Approved super annuation schemes---Conditions for approval---Rationale of conditions.

10. Taxation Treatment of provisions for Retirement Benefits—II:

Superannuation schemes (contnd)---Rationale of conditions---Exemption from tax on gratuity---Group Insurance Schemes---Taxation under group insurance schemes.

11. Group schemes and Data Processing:

The Computer---Computer equipment---Computer systems for Administration of group schemes---Group insurance schemes---Group gratuity schemes---Group superannuation schemes---Appendix containing samples of formats of trust deeds etc…

Reference reading:

- Health Insurance Primer: Study guide Part A Author – American Health Insurance Plans / Place - Washington DC, Publisher - American Health Insurance Plans
- Health Insurance nuts and bolts: Study guide part B Author – American Health Insurance Plans / Place - Washington DC, Publisher - American Health Insurance Plans
- Life and health insurance handbook—Davis . W. Gregg
- Health Insurance –Author—O.D. Dickerson
- Evaluating the Health Insurance Risk –J.M.Wickman


Investigation issues in property liability insurance – investment income – investment and tax strategies – rate return measures – impact of investment income on pricing.

Special issues – valuing an insurance company – operating an insurance company – regulating an insurance company.
IC 85 REINSURANCE MANAGEMENT
(Revised Edition: 2010)

Objectives:

The objective of this study course is to familiarize the reader with all aspects surrounding Reinsurance, which plays an important role in supporting conduct of insurance business. The course maintains relevance with newly emerging concepts, trends and practices at the market place and exhaustively deals with emerging ideas in respect of reinsurance methodology, retentions, markets, financial security, alternatives to reinsurance and information processing for reinsurance decisions.

Contents:

Chapter 1: Introduction to reinsurance: Nature of reinsurance – Analysis of factors that influence results – Historical background – Reinsurance in India before & after nationalization and liberalization – GIC Re – Regional co-operation – Functions of reinsurance - Advantages,

Chapter 2: Forms of Reinsurance: Facultative reinsurance – Treaty reinsurance – Facultative Obligatory Treaty – Considerations for facultative placements,


Chapter 5: Retentions: Setting Retentions – General Considerations – Factors influencing retentions – Types of retentions – Accumulations within and between branches – Retentions for Property insurance – Engineering insurance – Accident & Liability insurance – Marine Cargo & Hull insurance – Aviation insurance – Life insurance – Special factors for different classes of reinsurance,

Chapter 6: Reinsurance Programme Design: Programme objectives – Gross to Net evaluation – Reinsurers’ accounts – Funds flow and Liquidity,


Chapter 14: Glossary of Reinsurance Terms.

Chapter 15: IRDA Reinsurance Regulations.

References & recommended reading:

1. Fundamentals of reinsurance, Edgar C. Werner
2. Law and practice of reinsurance, C E Golding,
3. Reinsurance, Kenneth R Thompson
4. Reinsurance in the Third world, J. O. Irukwu
5. Reinsurance principles and practices, Connor M Harrison,
6. Reinsurance Underwriting, Robert Kiln.
IC 86 RISK MANAGEMENT
(Revised Edition: 2011)

Objectives:

Risk management enables an organization achieve progress toward its goals and missions on a direct, efficient, and effective path. Risk management and insurance is the study of methods used to manage activities whose outcomes cannot be forecasted exactly. The objective of this study course is to familiarize the reader with concepts, approaches, methodologies and measures taken by organizations and individuals to identify, analyse & reduce the risk of damage to physical assets, exposure to legal liability, or injury to employees or customers.

Contents:

Chapter 1: Theoretical aspects of risk management: Risk concepts & possibilities - Risk classification & categorisation – Approaches & Philosophy - Cost of risk,

Chapter 2: Scope and objectives of risk management: Formal system of risk threats – Contributory factors - Measures for economic control - Basic components of the risk management system – definitions - process & administration - Possible contributions & Potential benefits of risk management to a business,

Chapter 3: Building up an effective risk management programme: Deciding the programme objectives - pre & post loss objectives – Defining role, functions and duties of a Risk manager - Risk management policy – Objectives & Implementation strategies - Risks profiling & risk audits – Organising & putting the programme in place – Controlling the programme – Formulating a risk management policy,

Chapter 4: Identifying & analyzing loss exposures: Risk identification purpose & details - Types of risk identification techniques –Hazard identification & risk assessment - Statistical and other methods of assessing risk exposures - Prioritizing and mapping of risks

Chapter 5: Alternate risk management techniques: Risk control - Loss control management - Risk financing & Transfer mechanisms - Risk control – Risk financing & insurance – Risk retention & transfer strategy – Selecting the best technique – Managerial & technical decisions in implementation the selected technique – Monitoring & improving the risk management programme – Objectives, Timings & methodology, Inter-relationship of risk analysis, control and financing,

Chapter 6: Alternative Risk Transfer (ART) Mechanisms: Finite risk reinsurance – Risk transfer to capital markets as source of capacity – Global trends – Integrated risk management – Capital market products - Traditional & non-traditional options, Self insurance, captives, risk retention groups and pools,

Chapter 7: Enterprise risk management (ERM): Importance, definitions and regulatory developments – Four categories of ERM objectives viz. Strategic, Operations, Reporting and Compliance - Eight important components of ERM in achieving the objectives – Limitations - Impact on management practices - Contributions towards value creation,
**Chapter 8: Business Continuity Management and Disaster/emergency/recovery planning:**
Definitions – Threats that can lead to emergency, disaster or catastrophe – Possible combination of disaster phases - Features of Business Continuity Planning (BCP) – process, impact analysis methods, cost effectiveness, international standards,


**Chapter 10: Risk Management Checklists, Charts & emergency management plan examples:**

**References & recommended reading:**
2. Risk Management & Insurance – C A Williams & R M Heins
3. Essentials of Risk Management – George Head & Stephen HornII
4. CHUBB – The Rewards of Managing Risks
5. BCP Guide – PACE (Property Advisors to the Civil Estate, U K
6. National Institute of Disaster Management
7. Reserve Bank of India Circulars
8. Websites of WIPRO, IBM
9. Munich Re Publications
11. Disaster Risk Management Programme, Ministry of Home Affairs, Govt. of India
IC 87 LAW AND ECONOMICS OF INSURANCE  

Objectives:

This course intends to give a detailed understanding of the legal aspects that have bearing on the insurance business and transactions. It also aims at providing an insight into some of the fundamental principles of Economics that guides decision making in the Insurance Industry. The focus is on application of legal and economic principles in context of Insurance.

Contents:

Part - I

Chapter 1: Principles of law of contract and bailment- law of contract-parties-assignment-transfer-claims-modes of discharge-contract of indemnity-bailment-duties and rights of a bailor and bailee- liability

Chapter 2: Insurance Contracts- Nature of Insurance contracts-proposal and acceptance-contractual capacity-consideration-assignment-discharge of insurance contracts

Chapter 3: Agency- Insurance Agents- principal and agent relationship-creation of agency-modes-duties and rights-authority-termination of agency-insurance agents-licensing-rights and powers-remuneration-law governing insurance agents

Chapter 4: Regulation of Insurance business in India- history of insurance legislation-LIC Act 1956- formation, powers and functions of LIC, organization of LIC-The General insurance business Nationalization Act 1972, formation and functioning of GIC, Memorandum of Association-Tariff Advisory Committee- formation of IRDA-power and functions- Reinsurance

Chapter 5: Arbitration- Arbitration Agreement- implied conditions-qualifications of arbitrator-powers and duties of court-power and duties of arbitrator –arbitration with court intervention-arbitration clause in insurance policies

Part - II

Chapter 6: General economics and elements of price theory - Definition-Nature and scope of economics- significance-approaches to economic studies-concept of equilibrium-concept and law of demand and supply-determinants and types-shift and changes in demand and supply-concept of elasticity-types of elasticity-determinants

Chapter 7: The theory of production and analysis of costs- concept of firm and industry-production-factors-production function-costs of production-types and cost differentiations-opportunity cost-short run and long run costs-economies of scale-concept of revenue-theories of distribution
Chapter 8: Equilibrium price under different market structures-concept and types of market structures-equilibrium of firm-price and output determination under different market structures-perfect competition- monopoly-monopolistic market-oligopoly

Chapter 9: The role of insurance in economic activity-concept of risk and uncertainty-types of risk-management of risk-individual and market demand for insurance-elasticity of demand for insurance products-concepts of production, costs and supply applied to insurance

Chapter 10: Economics and insurance-Economic systems-concept of social control-nationalization-privatization-structure of insurance market-organization and regulation of insurance business-competition law-efficiency of insurance industry

Suggested Readings:


IC 88 MARKETING AND PUBLIC RELATIONS

Objectives:

Marketing is the function which provides the bread and butter for the insurance industry. This course is designed to give the student an idea about some of the principles and concepts in marketing as it applies to the business of insurance.

Contents:

Chapter 1: Introduction to Insurance: What is insurance – how it works – importance of insurance industry – history of insurance.


Chapter 4: Introduction to Services: Intangibility – Inseparability – Heterogeneity – Perishability – Ownership – Barriers to entry.


Chapter 7: Rural Insurance: Profile of Rural Sector.


Suggested Readings:
4. Retail Marketing Management- Pearson Education Ltd.
SUBJECT 89 – MANAGEMENT ACCOUNTING –

(Year of edition-2001)


Budget and Budgetary Control:- General Terms - Advantages & Limitations - Preparation - Control in Insurance Business - Planning.


IC 90 HUMAN RESOURCES MANAGEMENT

(Year of edition-2000)

Objectives:

People are the principal force and resource in any organization. In the Insurance Industry which is labour intensive, there is a particular need for good managers who have a good understanding of human nature and human behavior and can lead people effectively. This course is designed to help the student get familiarized about the complexities and challenges of managing and developing human resources in organizations. The student would learn both the conceptual aspects and practices that have been followed in Human Resources Management.

Contents:

Chapter 1: The development of Management Science: Scientific Management, Bureaucracy and Administration Theory – Human Relations Approach – Systems Approach

Chapter 2: Functions of Management: Planning, Organising, Staffing, Leading and Controlling

Chapter 3: From Personnel Management to Human Resources Management: the distinctions between PM and HRM – factors in the evolution from PM to HRM

Chapter 4: Human Resources Management and Behavioural Sciences: Relationship with Psychology, Sociology and Anthropology – aspects of perception, learning, motivation, leadership and group behavior.


Chapter 10: Human Resources Management and Service Industries: special features of services and the role of empowerment.


Suggested Readings:

3. Excellence through HRD- Edited by T.V.Rao and Others,
IC 92 – ACTUARIAL ASPECTS OF PRODUCT DEVELOPMENT

(First Edition: 2011)


Financial Viability –Profit Margin and Solvency Margin, Conclusion, References,

ANNEXURE I: Specimen Policy document, etc.. Specimen Proposal for Group Contract ETC IRDA File and use procedure.

IC 97 – LEGAL ASPECTS OF INDUSTRIAL RELATIONS


IC 98 – ADVANCED INFORMATION TECHNOLOGY (YEAR OF EDITION 2005)

Computer Hardware – Commercial – Personal – Laptop – Network Computers – Multimedia
Processors – Spreadsheets – Presentation – Dbase – Personal Organizer; Programming Languages –
C – COBOL – RPG – Basic – FORTRAN – Others; Languages for GUI – C++ - Visual Basic –
Rapid Application Development Relational Database – DB2 – Oracle – Informix – Sybase –
Database Administration - Network – LAN – MAN – WAN - Network Backbone Alternatives;
Mainframe – Client/ Server – Two Tier C/S - Three Tier C/S- Transaction Processing – Batch
Processing – On-line Transaction Processing (OLTP) – OLTP applications in Insurance Industry-
Application Software Development – Need analysis, requirements and functional specification
analysis, and design analysis – Structured System Analysis and Design – Methodologies – Project
Management Processors – Massively Parallel Processors (MPP) Business Intelligence Applications
– Data Warehouse – Data Marts – – Statistical Analysis – Multidimensional Analysis (OLAP) –
Data Mining for Knowledge Discovery. Business Intelligence Applications in Insurance Industry –
Introduction to ERP (Employee Resource Planning) – Packages like SAP, BAAN, Peoplesoft etc.

Document Imaging and Management – Software Packages – Computer Output to Laser Disk
JAVA – JAVA Script – Others – Internet – Intranet – Extranet – E-mail – File transfer (FTP) –
Telnet – Web Page creation and maintenance – Internet Marketing – E-commerce.

Data Integration Standards in Insurance Industry – EDI – ACORD’s Olife standard……object
standard for data integration – Origo standards -Training Modes and Media – CBT – Multimedia –
Multimedia Applications- IT Role in Marketing - Security Issues - Audit of Data Creation,
Maintenance and Transaction Processing.
IC 99 ASSET MANAGEMENT

Objectives:

This course provides an insight into the various dimensions of asset management that is crucial for efficient functioning of Insurance Industry. It also gives a brief overview of risk management and portfolio management and regulatory environment. The focus is on analysis of fundamental concepts and evaluation of various approaches.

Contents:

Chapter 1: Asset Management- concept-objective-importance of asset management

Chapter 2: Bond valuation- meaning-valuation-interest rates-yield spreads-yield to maturity-yield curve-swaps-interest rate and bond swaps-spot and forward rates-interest rate risks

Chapter 3: Equity Valuation- fundamental analysis-meaning-various models-trading position and market efficiency-estimation of growth rate and return from share-sensitivity analysis-economy, industry and firm level analysis-charting and technical analysis-decision making

Chapter 4: Securities- nature and organization of securities market-government securities-industrial securities-bonds/debentures-types-equities-direct and indirect equity investments-common stock-preferred stock-convertible stock-money market instruments

Chapter 5: Risk- meaning-types; default risk-financial risk-liquidity risk-maturity risk-call risk-interest rate risk-inflation risk-exchange rate risk-business risk-market risk-yield-types of return; Internal rate of return, bond rate, realized and expected return, holding period return, gross and net yield, nominal and real yield; risk return tradeoff.

Chapter 6: Portfolio - effects of combining securities-portfolio selection-investor preferences-risk penalty-portfolio analysis-traditional and contemporary approaches-problems in portfolio management-CAPM

Chapter 7: Mutual Funds- meaning-need-classification of MF schemes-operational, portfolio based classifications-Asset management Companies-functions-Indian scenario.

Chapter 8: Evaluation of Portfolio Performance- need-different methods of evaluation-time horizon- Treynors measure-Sharpe measure-Jensen Measure-Fama Measure

Chapter 9: Derivatives- Meaning-futures-options-hedging- hedging using futures-stock options
Chapter 10: Foreign Exchange Management Act (FEMA) - background, basic definitions, provisions, main functions of RBI under FEMA, Securities and Exchange Board of India (SEBI), organization, powers and functions, Insurance Regulatory and Development Authority (IRDA), organization, powers and functions, other regulators, RBI, organization, functions

Suggested Readings:

IC31 INSURANCE SALESMANSHIP (Year of Edition 2005)


Prospecting- why prospects-prospecting Attitude-who is prospect-sources for names –qualifying.


Note: There will be 3 objective types of questions. Out of 10 questions, candidate is expected to attempt 8 questions only.


Introduction to Surveys: Human Element, Technical Element, Contractual Element, Administrative Element. Admissibility of Claims: Factors affecting the Admissibility of the claim, Examination of policy contents, Verification of Multiple Policies, Insurable Interest, Proximate Cause of Loss, Operation of Exclusions, Examination of Warranties.


Ratemaking Data- Internal Data- Data Aggregation-External Data

Exposures – Criteria for exposure bases- Exposures for large commercial risks- Aggregation of exposures-Exposure trend, Premium –Premium aggregation-Adjustments to premium, Losses and LAF- Loss definitions-Loss data Aggregation Methods-Common Ratio involving loss statistics-Adjustments to losses- Loss Adjustment Expenses, Other expenses and Profit- Simple example-Underwriting Expenses categories- All Variable expenses method-Premium based projection method- Exposure-Policy –Based Projection Method-Trending expenses-Reinsurance costs-Underwriting profit provision-Permissible loss ratios, Overall Indication- Pure Premium method-Loss ratio method-Loss ratio versus pure premium methods, Traditional risk classification- Importance of equitable rates-criteria for evaluating rating variables-typical rating (or underwriting)variables-determination of indicated rates differentials-worksheet example,


Implementation- Example imbalance- non-pricing solutions- pricing solutions-calculating new rates for an existing product-calculating new rate based on bureau or competitor rates-communication and monitoring

Commercial lines rating mechanism-manual rate modification techniques-rating mechanism for large commercial risks, Claims made ratemaking- Report year aggregation-Principles-Determining rates- coordination policies.
IC A-4 -ESTIMATING UNPAID CLAIMS USING BASIC TECHNIQUES


Note:

Some Questions may be asked from topics that are not covered in the syllabus/Study courses (upto 10% Licentiate, upto 20% Associateship and upto 25% Fellowship). Specialised Diploma course upto 20%. This is to ensure that candidates keep themselves aware of major changes in the insurance Industry, published in authentic open sources like national newspapers and websites of the Insurance Regulator.