

VOCATIONAL HIGHER SECONDARY  
**TEACHERS SOURCEBOOK**

**GENERAL INSURANCE**

FIRST YEAR



GOVERNMENT OF KERALA  
DEPARTMENT OF EDUCATION  
**SCERT – 2005-'06**

STATE COUNCIL OF EDUCATIONAL RESEARCH & TRAINING  
VIDYABHAVAN, POOJAPPURA, THIRUVANANTHAPURAM -12, KERALA

# TEACHERS' SOURCEBOOK

## GENERALINSURANCE

### FIRSTYEAR

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# Preface

*Dear Teachers,*

*The activity based, process oriented and learner-centred pedagogy is being introduced in the Vocational Higher Secondary Classes. It becomes necessary to make significant changes in the learning process as well as in evaluation system for its successful implementation.*

*Insurance is a service oriented subject. It is a fast developing field of education which requires a learning methodology suitable in accordance with the changing situations. The learners may have to undergo different learning activities based on practical skills and knowledge to cope-up with the requirements of the hour.*

*This sourcebook has been prepared in such a way to help the teacher to provide suitable learning activities for effective learning. The success of the approach depends upon the vision and commitment of the teacher. For the preparation of the sourcebook, SCERT Kerala has drawn the expertise of eminent personalities from the field of commerce as well as the pedagogic and expertise of Vocational Higher Secondary teachers. This book provides guidance on theoretical and practical aspects of the subject as well as opportunities for planning the activities needed for the transaction of the curriculum and the evaluation process.*

*I solicit your comments and suggestions for the improvement of the sourcebook.*

*With regards,*

**Thiruvananthapuram**  
**25.11.2005**

**Dr. E. Valsala Kumar**  
*Director*  
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# I

## APPROACH

### **Vocational Education Programme**

The goal of vocational education is to fulfil the man power requirements for national development and for social security for the citizens through employment. The courses are designed as vocationally oriented with ample scope for self as well as wage employment.

A curriculum which facilitates the student to select specialised vocational courses for higher and indepth studies and also to attain general understanding of the basic sector are the needs of the hour. The activity based learning and grading system started from standard 1st has already reached to standard X. The changes in methodology and evaluation system is to be extended to Vocational Higher Secondary class inorder to make the learning process fruitful. Therefore learning should be:

- Activity based
- Process oriented
- Learner centered
- Environment based
- Life oriented

### **Objectives of Vocational Education Programme**

- 1 To fulfill the national goals of development and the removal of unemployment and poverty.
- 2 To impart education relevant to increased production and productivity economic development, individual prosperity.

- 3 To meet the need for skilled manpower for the growing sectors of economy, both organised and unorganised.
- 4 To prepare students for self reliance and gainful self employment.
- 5 To create values, national thought and environmental awareness, aimed at social and cultural development among students.
- 6 To create an awareness about physical and mental health among students.
- 7 To facilitate the expansion of higher education and employment opportunitites through conducting career guidance progammes.
- 8 To provide training facilities in related vocational subject.

### **Approach to learning commerce**

Commerce is down-to-earth practical discipline. Hence learning process should be organised around current business process. There is, therefore, a need to closely interact with business. A student of commerce must be able to relate himself to the changing business environment and to understand their implications through the interaction peer sharing of experience and experimental learnings. Learning through activities will definitely make the learning of commerce effective.

The commerce based vocational courses are one of the popular courses

in the country General Insurance is one such subject taught under commerce based vocational course.

### **Objectives of general insurance**

- To give students ample opportunities to acquire relevant knowledge about life and general insurance.
- To familiarise students with insurance market and various types of policies.
- To prepare students for a career in the field of insurance by getting wage employment as well as self employment.
- To develop skills in risk management in the field of business and industry.
- To enable the students to analyse the need of insurance in the daily life especially in the field of motor insurances.
- To develop thrift and saving mentality among the students through insurance education.
- To develop a capability in each students to identify business opportunities and its risk-return possibilities and investment of insurance funds in socially desirable projects.

### **Theoretical foundations of new approach of Commerce**

The basis of the new curriculum is derived from developments in philosophy, psychology, anthropology, and sociology taking place in India and in European countries. These developments have helped to make a shift from teacher centred learning to student centred learning and, that learning takes place through social interactions.

The new curriculum gives adequate thrust to the following.

- Multiple Intelligence
- Constructivism
- Emotional Quotient

### **I Understanding a student - A unified approach to Multiple Intelligence.**

According to the theory of Howard Gardner, human intelligence has different components and all these components are present in all individuals in different proportions. Some components may be more prominent in some individuals. He considers that giving suitable environments and through continued efforts, students can improve the various components of intelligence to a greater extent.

### **Components of Intelligence**

#### **1 Verbal/linguistic intelligence**

The ability for reading, writing, verbal production, speak and communicate effectively belong to this type. This type of intelligence can be developed through activities such as oral communication, report writing etc.

#### **2 Logical/mathematical intelligence**

Abilities like logical thinking and finding out patterns and relations belong to this component. This type of intelligence is developed through establishing relationships and mathematical operations.

#### **3 Visual/spacial intelligence**

People with prominently visual/spatial intelligence will be able to design models and execute ideas they have. Architects, designers and sculptors will be strong in this type of intelligence. Model building, making

of art materials, sculpting, painting and drawing will help this component develop.

#### **4 Bodily-Kinesthetic Intelligence**

This intelligence is related to the ability to move the body parts. Dancers, actors and sports people who can move the body aesthetically and express emotions through body movement belong to this category. Activities involving dance, aerobics, sports and games help the development of this type of intelligence.

#### **5 Musical Intelligence**

It is believed that this type of intelligence is highly developed in people with the ability to distinguish the different elements in music, performing musicians and those who can appreciate music. Playing musical instruments, singing along with others, keeping rhythm etc. are activities that help the development of this component.

#### **6 Interpersonal Intelligence**

People who demonstrate leadership qualities and are able to interact in a positive way with others will have a better developed interpersonal intelligence. They can understand the thinking of others and can successfully involve in negotiation activities. Role play and group activities can be used to cultivate this intelligence.

#### **7 Intra Personal Intelligence**

This is essentially the ability to understand oneself. Such people will have the ability to understand their abilities and shortcomings. Analytical diary writing, assessment of ideas and activities of others and assignments can help the growth of this factor.

#### **8 Naturalistic Intelligence**

This is characterised by deep interest in nature and the flora and fauna, love for fellow beings, interest in spiritual and naturalistic phenomena. This component can be strengthened through nature study and enjoying the beauty of nature.

Gardner speaks about another dimension of intelligence - existential intelligence. But this has not been elaborated sufficiently. The teachers may ensure that learning activities that cater to all the components of intelligence are provided to the students.

#### **Multiple Intelligences in the Commerce class room**

The multiple intelligences of the students are strengthened and developed as they go through different learning activities. The different dimensions of multiple intelligences are seen in each student in different levels.

The teacher must organise learning activities that facilitate the growth of all the domains of intelligence in all the students.

*See Table given in Next page*

#### **II Facilitates learning through Constructivism**

The past decades have seen a radical change in the concept of learning. The contribution of Piaget, Vygotsky and Bruner have given a new direction to the developments in this area.

Important among these new concepts are:

## SCOPE FOR DEVELOPMENT OF MULTIPLE INTELLIGENCES

Topic - **Fire Insurance**

Strategy: **Discussion**

<b>Activities</b>	<b>Scope for multiple intelligence</b>
<ul style="list-style-type: none"> <li>• Biju insured his stock of goods worth Rs.10,00,000 for Rs.8,00,000. A fire occurred during the year and lost the goods worth Rs.5,00,000 and he claimed the amount. But the insurer paid only Rs.4,00,000. Find the reasons.</li> <li>• A group discussion is arranged on the example cited above.</li> <li>• Ask the students to prepare a chart showing different types of Life insurance policies.</li> <li>• An agent approaches a proponent and canvasses life insurance business - The students are asked to make a role play.</li> <li>• Giving an assignment to visit an agent and collect details of cattle insurance and prepare notes</li> </ul>	<ul style="list-style-type: none"> <li>• Logical/ mathematical intelligence</li> <li>• Logical/ mathematical, interpersonal intelligence</li> <li>• Visual/ spatial intelligence</li> <li>• Bodily/ kinesthetic intelligence</li> <li>• Linguistic, natural intrapersonal intelligence.</li> </ul>

- Learning is the construction of knowledge.
- Learning takes place as part of problem solving.
- Learning takes place by incorporating new elements of knowledge into the cognitive structure of the learner.

Important ideas put forward by constructivism may be examined now;

### 1 Discovery learning

Teachers must create an atmosphere that enables the learner to discover ideas and facts. Rather than leaving the student to discover for herself, providing opportunities that prompts the learner to discovery is important. Providing direct explanations and asking the student

to imitate models are not what is expected from the teacher. Helping the student to develop a model on her own is more important.

### 2 Learning through debate

Debates lead to learning is an idea of Bruner. Here debate does not mean an argument. It is a sharing of ideas. New ideas can be developed by asking for explanations, contributing ideas, internalising ideas and analysing ideas in debate. It is an active method where all students in the class can participate.

### 3 Learning through Problem solving

Learning takes place only when the student sees in a particular learning situation a problem that needs a solution. When an imbalance in knowledge is produced the natural

tendency is to carry out some activity to correct this. The student needs to be confident that he/she will be able to find a solution. Problems framed need to consider the abilities, cognitive level and practicability.

#### **4 Collaborative learning**

This is a form of learning which shares the learning responsibility among members of a group which works towards a common goal. The common goal can be achieved only when all the group members perform their duties satisfactorily. The outcome of learning can be shared by all the members of the group. The teacher who facilitates learning need to clarify the responsibilities of each member. This can be done only through discussions with the members of the group. The situation where one person acts on behalf of the group can be avoided in this type of learning.

Collaborative learning method can be followed only by a teacher who is prepared to share knowledge and authority with the students.

#### **5 Co-operative learning**

This is a mode of learning where the learners help each other to learn. Those who have better knowledge and experience help other students. It must be ensured that the help is not mere copying of other students work. It is a need based interaction providing support for learning at all stages. All the members of the group will be ready to answer the questions on the common task and the groups achievement will be evaluated on the basis of the performances of the group members.

#### **6 Zone of proximal development (ZPD)**

According Vygotsky, there is a level of achievement that can be reached by all learners on their own, and another higher level which can be achieved through help from teachers or peers. While any learning activity can be successfully completed by many learners, with the help of knowledge elders all can reach a higher level. Those who complete the activity only in parts can complete it with the help of the teacher. If appropriate help is received, all learners proceed to better performance. The area between the level achieved by own efforts and that which can be achieved with the help of others is called as zone of proximal development by Vygotsky.

#### **7 Scaffolding**

It is only natural that many learners are unable to complete learning activities if help is not received in time. The student needs help from the teacher in many learning activities. Here, help does not mean taking over and completing the work for the student, but making the student herself complete it. Teacher may provide hints, examples, evidences, or ask questions to direct the thought to specific path. In some situations the student may be asked to examine how others have approached the problem. What is important in providing this scaffolding is to bear in mind that the student must gradually be equipped to take up and complete the task. The concept of scaffolding highlights the important role of the teacher in learner centred education.

## 8 Learning an active mental process

Learning being a cognitive process, the teacher needs to know cognitive processes to facilitate the creation of learning opportunities. Learning can be made effective by providing learning experiences involving mental processes like

- Retrieves/ recollects/ retells information
- Readily makes connections to new information based on past experiences and formulates initial ideas/concepts.
- Detects similarities and differences.
- Classifies/categorises/organises information appropriately.
- Translates/transfers knowledge or understanding and applies them in a new situations.
- Establishes cause-effect relationships.
- Makes connection/relates prior knowledge to new information/ applies reasoning and draw inferences.
- Communicates knowledge/ understanding through different media.
- Imagines/fantasises/designs/ predicts based on received information.
- Judges/appraises/evaluates the merits or demerits of an idea/ develops own solutions to a problem.

## 9 Internal motivation

Constructivism emphasises internal motivation over external motivation. Teachers must make all efforts to see that students have internal motivation. Only a student who is internally motivated can involve completely in learning and own up

responsibility for all activities in learning. The teacher may frequently evaluate how far she has been able to motivate the students and develop adequate strategies.

## III Development of one's own feelings through Emotional Intelligence

The concept of emotional intelligence put forward by Daniel Golman was used in framing the new curriculum. The fact that one's Emotional Quotient (E.Q) is the greatest factor affecting success in life is now widely accepted. The teacher who aims to focus on improving the emotional intelligence of students need to concentrate on the following.

### i) Ability to take decisions

Rather than imposing decision on students while planning and executing activities, the students may be allowed to take part in the decision making process. Taking decisions through open discussion in the class, inviting students suggestions on common problems etc. are habits to be cultivated.

### ii) Ability to reach consensus

- When different opinions, ideas and positions arise the students may be given the responsibility to reach a consensus.
- Imaging what would be the course of action in some situations, allowing to intervene in a healthy way in problems between individuals.

### iii) Problem solving

- Developing the idea that there is reason and solution to any problem.
- Training in finding reasons for problems.

- Suggesting solutions through individual or group efforts.
- Discussing social problems.
- Analysing the shortcomings in methods to solve problems.

Whether plastic can be banned within school premises can be given as a problem. Group discussion will provide reasons and solutions. Problems which can influence classroom learning and for which the learner can actively contribute solutions need to be posed.

- Self criticism, evaluation
- Ability to face problem-situation in life
- Thinking what one would do if placed in the situation of others, how one would respond to certain experiences of others - All these foster the growth of emotional intelligence.

#### **iv) Life skills**

Life skills need to be given a prominent place in education. W.H.O. has listed ten skills required for success in life.

- Self awareness
- Empathy
- Inter personal relations
- Communication
- Critical thinking
- Creative thinking
- Decision making
- Problem solving
- Coping with emotion
- Coping with stress

The new approach of curriculum addresses these areas.

The learner centred approach has a different perspective from the earlier approach as to the characteristics of

the learner, learning activity, role of the teacher, the use of teachers source book, the role of school and the facilities for learning which help the teacher to plan and implement learning activities effectively.

#### **Role of the student in the learner centred curriculum**

The student in the learner centred curriculum will also be changed as he became an integral part of the system. The learner in and outside the classroom are expected to be:

- active participant in the learning process
- formulate concepts of his own
- engaging in group activities
- share information/knowledge
- share responsibilities
- take leadership
- co-participant
- interpret and draw inferences

#### **Features of Learning Activity**

- Involve mental processes which facilitate learning/construct ideas.
- Present challenging situation problems
- Time bound
- Active involvement of each learner
- Possibility for various types of interactions
- Learner → Learner
- Learner → Teacher
- Learner → Material
- Chances for success/self correction/improvement
- Motivate for further study and inquiry.
- Appropriate to age level/class
- Based on specific objective/objectives

### **Role of Vocational Teachers**

In the learner centered education the teacher is a person who has to create intrinsic motivation among the students. For achieving this goal the teachers should be

- able to consider the abilities, needs, special features, and age group of students at Vocational Higher Secondary level
- able to understand the limitations of students and their learning problems
- a good guide to the overall development of the student
- a facilitator of learning
- an instructional material developer
- a good communicator
- an innovator
- able to raise leadership qualities and self confidence of the students
- an authoritarian in the concerned subject.
- able to arrest and sustain the attention of the student
- a good observer and motivator
- able to bring out and encourage the inborn talents
- a resource manager to ensure the optimum utilisation of resources
- a systematic record keeper
- a counsellor to issue guidance to the students
- a person with high level of practical competency
- able to correlate area of study with familiar environmental situations.
- a promotor of extension activities
- a self evaluator and good listener
- able to create awareness in social problems
- a person with democratic and humanitarian approach.

- a professionalist as well as philosopher
- a good evaluator
- a good organisor and a friend
- a co-learner as well as a co-researcher
- able to give assistance and advice in placement needs and self employment by giving moral and technical support
- able to keep moral values
- a person equipped with skill for using new techniques of learning
- optimistic and impartial.

### **Nature of course content**

The course content of a good structured curriculum should be of the following nature.

- Job oriented
- Learner friendly
- Activity and problem oriented
- Planned/ time bound
- With student centered approach (democratic)
- Flexible
- Technologically updated
- Suitable to achieve the objectives
- With specified area of study
- Activities suitable to the locality
- Concept fulfilling
- Need based
- To achieve the objectives
- To develop curiosity
- Basic skill developing
- Life related and environment related
- Should contain feed back/ evaluation techniques.

### **Child friendly classroom atmosphere**

Learning can be effective and enjoyable only when the class

atmosphere is according to the new conception of learning and the characteristics of the Vocational Higher Secondary student.

- Class and seating are arranged in an attractive way.
- Democratic nature is upheld.
- Always active
- Students interact with teachers without fear.
- Opportunity for a variety of activities
- Student allowed to involve in interesting group activities.
- Learning speed, learning style and differing levels of abilities are considered. Help is extended whenever needed.
- Sufficient instructional materials are available.
- There is freedom of expression, students share their ideas and experiences.
- Students are given acceptance and encouragement
- Healthy atmosphere
- Needs of each student is given consideration. Happy and energetic atmosphere.
- Teachers work considering the rights of the student.
- Problems handled in a patient way.
- Teachers look at all events from the students viewpoint.

### **Difference in levels**

There will be students of various ability levels in any class because learning style, learning speed, varying exposure to language experiences, physical and psychological problems and varying socio-cultural background.

The learning experiences provided must help to bring the low achievers

to an expected level and extend the breadth and depth of the skills of the high achievers.

By repeating learning experiences, introducing variations in a learning experience to suit different levels and if needed, formulating additional experiences, the problem of varying ability levels can be tackled.

### **Teachers' Source book**

The teachers source book is aimed at helping the teacher in the transaction of the new curriculum.

- Makes clear the curriculum objectives
- Contains the minimum package of learning activities.
- Provides guidelines for planning the activities.
- Provides hints for evaluating activities.
- Stimulates teacher's thinking.

### **School**

In order to shift from teacher centred approach to the learner centred approach the environment in the school is also to be modified. The school should function as a social institution which provides opportunity to parents and society to easily interact. It evolves as a resource centre of information and knowledge.

For the effective transaction of the commerce curriculum in the class room, library and other support systems should be oriented in such a way to cope up with same.

### **Bulletin Board**

Bulletin board is a device that displays news cuttings, posters, articles, paintings advertisement

copies, leaflets etc, collected by the students that has relevance to Insurance. Bulletin board is very suitable for pasting announcements and assignments. Students themselves should be made in charge of the bulletin boards and the teacher should only act as a guide. The skill of information gathering and dissemination can be achieved through this activity.

### **Commerce Library**

A commerce library is a resource centre which provide information to the students through secondary devices namely text books, reference books, journals, magazines, newspapers, internet etc. If assignments including solution to problems are carefully given work in the library for their completion will develop desirable reading habits among students. It creates reading habits among students and enable them to better utilise leisure time in the School.

### **Commerce Club**

Commerce club helps to develop the potential skills, capabilities and knowledge of the students. It enhances the team building process, collective and participatory learning, promote innovative ideas, enrich the existing knowledge, and develop interactive skills enable organisational and leadership qualities.

### **Activities**

- 1 Conducting Commerce and management quiz

- 2 Conducting essay competitions on commerce topics and current affairs
- 3 Conducting invited lectures/ seminars of professionals, academicians, industrialists, educationalists etc.
- 4 Conducting debates on contemporary topics with active participation of students.
- 5 Conducting exhibitions on commerce.
- 6 Conducting study trips to industrial units, business establishments, financial enterprises.

### **Vocational Diary**

Vocational diary is a record of activities undertaken by the students as part of the learning process. The students should record the problems encountered during the learning process, possible courses of action, constraints and difficulties, innovative ideas etc.

#### *Contents*

- 1 Matters relating to projects
- 2 Matters relating to seminars
- 3 Matters related to field trip
- 4 Matters related to debate
- 5 Matters related to commerce club
- 6 Matters related to bulletin board
- 7 Matters related to exhibitions
- 8 Matters related to commerce library

The teacher should periodically verify and review the vocational diary maintained by the students and make necessary comments and suggestions.

**Multi media Room**

To provide appropriate learning experiences in the new approach of curriculum, advances in science and technology may be made use of. Setting up a multimedia room in each school would help in this aim. The multimedia room may have the following equipments.

**Over Head Projector (O.H.P)**

It is a very useful instrument as audiovisual aid. Transparency sheets showing written/printed material can be projected to the screen.

OHP is based on a simple working principle. A powerful beam of light from a bulb is allowed to fall on a mirror after passing through a lens. The mirror reflects the material to the screen. The transparency is placed in the path of the light beam.

The following can be used to record on transparency.

- OHP marker pens
- Indian ink
- Hecto carbon paper
- photocopy on transparency
- Laser print on transparency

If the bulb of OHP is used continuously for more than 10 minutes it may black out.

When transparency sheets are prepared the following points may be kept in mind.

- The main ideas relating to a topic may be presented under serial numbers.
- Use bigger sized letters. Write clearly
- Use colours

- One transparency may be limited to 12-15 lines. More lines will make it difficult to read.

**Information Technology**

During a time of information explosion, comprehensive study of Commerce based vocational course cannot be limited to books alone. Information technology is a medium which can help one to collect and exchange new knowledge that is created by the minute. It helps us to study and understand the concepts which are not amenable to direct observation, new developments, habitats, and physiological activities.

**Computer**

The computer is a medium which can store enormous data and help in analysing and presenting data in many forms. 3 D pictures, movements and sounds can be recorded and stored in a computer. It can also be shown on the monitor screen or printed when needed and can be sent to other computers through internet.

**Making use of computer**

- Slides and animations can be prepared based on lesson units.
- The animations and other demonstrations prepared can be used in connection with transaction of the lesson unit.
- Print out copies of the material prepared can be used for group work.

**Internet**

The internet is a network of millions of computers all over the world.

The learners can search and find the information required by themselves. They can make use of the information collected from the net in a variety of ways.

The internet makes available not only information and ideas, but tools for evaluation also. A number of websites provide you a great variety of material at no cost.

### **Liquid crystal display (LCD) Projector**

The LCD projector helps to project to a big screen, the display on a computer monitor. Schools which do not have LCD projectors must try to acquire one with the help of NGOs, PTA and local administration institutions .

Media like TV, VCD, DVD and tape recorders may also be utilized appropriately. Using the education programs of Doordarshan and other channels is also important.

## II

# LEARNING STRATEGY

The advent of globalisation ensures only the survival of the fittest. The field of education has no exception to this. It deserves to equip the learners to face the growing challenges in the complex world. Hence the traditional approach like class room centred - lecturing tone of teaching and learning has no more relevance. Now the learners are not merely the passive listeners but the active participants in the process of assimilation and dissimilation of knowledge. This compels the learners as well as teachers to cope with the tremendous changes taking place in the realm of education. The educational reforms, especially the 'Grading System' is a leap towards this direction. Hence there is a dire need to redesign the learning strategies. This will open the new spheres of knowledge to the Insurance students to enlighten the knowledge explosion in Insurance. In view of this objective the following action oriented learning strategies are introduced at the Vocational Higher Secondary level.

### **Project Method**

Project is one of the most appropriate strategies for learning commerce. It is a sequence of activities of a learner to collect, tabulate, analyse and interpret relevant data so as to evolve findings to solve the felt problem. Project Method is based on the idea that true

knowledge is acquired not merely by reading books and attending lectures but by the learner themselves. Learning by doing and learning by living are two cardinal principles of this method. It is a creative way of self learning which help to develop the full potential of the learners.

### **Stages of project method**

#### **I Selection of topics**

##### *a Identify the problem*

A project has to be done on a felt problem in the classroom learning situation. It should not be done for the sake of project work, but for problem solving. Most of the project work area evolve from the academic discussion in the classroom.

For example: Tsunami affected the coastal areas of Kerala during 2005. How can we estimate the total liability of the insurers.

##### *b Formulate a suitable title*

Based on the identified problem a suitable title has to be formulated. The title must be specific, clear and appropriate to the subject. In the above example the title may be "Liability of the Insurers on account of Tsunami".

#### **II State the objectives**

In view of the problem identified, the learner wants to collect some information relating to the problem. This will help the learners in

understanding the problem better. Hence the objectives for the above example may be the following  
To estimate the amount of insurers liability.

### III Planning

This can be done through a discussion in the class.

#### (a) Formulation of hypothesis

Planning can begin with formulation of hypothesis. For example

- Tsunami affected all the persons in the costal areas of Kerala.
- Some of the persons in the Tsunami affected area are insured persons.

#### (b) Methods and Techniques

Methods and techniques should be based on the objectives and hypothesis of the study. The nature of study, suitability of rules, method of learning, etc. should be related to one another.

For example. conducting an interview with people visiting the loss affected area.

#### (c) Identify the source of data

Based on the objectives data may be collected by primary or secondary sources. Primary sources include real field of study. The data can be collected through observation, questionnaire, interviews, etc. Secondary sources include published documents namely report, news articles, paper reports, etc.

#### (d) Collection of data:

Data may be collected through field trips by schedules and questionnaires and personal observation.

#### (e) Analysis and interpretation of data:

The data so collected should be tabulated, analysed and interpreted to derive possible conclusions. Collected information from the interview should be processed for analysis and interpretation.

In the above example the collected datas may be presented by the learners in the project report in an attractive manner.

#### (f) List out the finding:

The conclusion derived be systematically listed to arrive at suggestions or conveying useful information

For example

- Total percentage of insured person 15%.
- Total percentage of motor vehicle insured - 100%.
- Total percentage of property insured - 10%

### IV Execution of the project:

An outline of the project based on the components discussed above may be drawn. The project activities may be carried out according to the plan with necessary modification as and when required.

### V Presentation of Project

Through a project presentation, the learner is getting accepted. Ideas can be communicated and shared with others. It can be presented in a commerce club meeting.

### Project Diary

The project diary can be made use of to prepare project report. Each stage of the project should be recorded in the diary while doing the project. The

credibility of the project and data can be established with the help of the diary. Necessary direction may be provided to the students to write the project diary. At frequent intervals the teacher must check the recordings made in the project diary of the students. A portion of vocational diary can be utilised for this purpose.

### **Assignment**

Assignment is some specific work assigned to the students as part of their academic enrichment. These are learning activities undertaken as a continuation of classroom activities to realise the curriculum objectives. They should be completed in time bound manner. They help to lead the learner to higher level of learning from the present status. It may vary from writing an essay to organising project works. Challenging assignments can motivate the students to involve in group dynamics and achieve fruitful results. The teacher may act as a guide.

Assignments may be given on individual or group basis. Assignments include preparation of notes, preparation of charts, models, collection of materials from industrial and financial institutions etc. Assignments develop skills of reference observation, enquiry and reporting etc It ensure the affective utilization of leisure time of the students.

#### *For instance*

- 1 Prepare a note on types of Insurance policy.
- 2 Prepare note on difference between utmost good faith and good faith.

### **Seminar**

Seminar is a learning method involving an in-depth analysis of a specific topic, preparation of a paper and presentation before the students. The paper is presented by either one student or a group of students. After the presentation, there will be a discussion/ interaction in which all students can participate. The students get an opportunity to clear their doubts and make clarifications. Seminar helps to develop communication skill and overcome stage fear.

#### **Stages**

##### **1 Selection of topics**

The topic of seminars should be relevant to the subject of study.

##### **Example**

- a Benefits of insurance
- b Differences between depositing money in Banks and others securities and effecting life insurance policy

##### **2 Assignment of topic to individual student or teams**

The topic may be prepared by one student or a group of students

##### **3 Collection of relevant information**

Information required for seminar can be collected from various sources namely websites, News papers, Magazines, T.V, Radio etc.

##### **4 Preparation of the draft paper**

Based on the information collected, the presenter may prepare a draft paper and submit it to the teacher for comments.

Revise the draft paper based on the comments by the teacher

#### 5 Finalisation of the paper

The student may submit the revised draft to the teacher for approval.

#### 6 Program scheduling

Now the task of the students is to fix the date, time and venue of the seminar. For this a seminar convener may be selected from the students.

#### 7 Seminar paper presentation

The student/students shall present the paper in the seminar. One of the students can moderate the seminar. In initial stages the teacher may moderate the seminar.

#### 8 Discussion/ Interaction

A panel of respondents from the students make comments on the topic. This will be followed by a general discussion.

#### 9 Summing up the deliberations

The moderator sums up the deliberations

#### 10 Evaluation/ Feed back

Both teacher and students evaluate the programme.

#### 11 Preparation of final report

It should contain all the points covered in the seminar along with the additional points discussed and consolidated. Individual report is needed.

### Debate

Debate is one of the effective learning strategies for commerce classes. It is based on the modern psychological concept of social constructivism. Debate is a creative

and collective process of eliciting all related facts of a topic. It also enables the participants to enrich their knowledge through healthy dialogues. In a debate, there will be minimum two groups and a moderator. The skills of critical thinking, positive interaction etc of the students can be developed through this learning method. It avoids stage fear of students and enhances substantiating abilities of the learner.

#### Stages

##### 1 Topic Selection

The topic of the debate should be relevant and having potential for different view points. For instance merits and demerits of E-Commerce.

##### 2 Selection of panels

At least two panels of students may be selected to argue for and against the topic. Special care should be taken to select the students keeping balance with their individual differences like intelligence, gender, social status in the class. (The ideal number in a panel may vary from three to five)

##### 3 Selection of a moderator

A student representative should be selected to moderate the session where as the teachers will act as a guide. In the initial stages teacher may act as the moderator.

##### 4 Collection of information

The panel of students should be guided by the teachers to collect as enough information from news papers, Magazines, Websites, Govt. reports, TVs, Radios etc.

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**5 Conducting the debate**

The teacher acts as overall guide and student representative as moderator will facilitate the debate. Both the panels can raise their views and arguments on the topic. The rest of the students can participate as observers. They can make interventions to present their views only with the permission of the moderator. The moderator should be well aware of all the aspects of topic but should take an impartial and independent position. He should be able to inspire the panels to elicit as much information as possible and in case of necessity from the observers also. The moderator should take special caution to control and avoid any sort of personal conflicts.

**6 Conclusion**

The Moderator should conclude the debate by expressing his final version based on the views evolved from the debate. Then the teachers can make his/her observations comments and suggestions.

**Field trip/ Study tours**

Field trip provides direct and contrived experience to the learners. It is based on the principle that 'Seeing is better than hearing' It gives an opportunity to students to observe the real life situation of the topic. It also enables the students to retain the learning longer and to make the topic more interesting. For instance, visiting LIC. It would enable the students to know the procedure of effecting life policy and settlement of claims.

Both field trip and study tours give an opportunity for the students to understand the real life situation. However there is slight difference between these two. Field trip is a short visit to a local area with a specific purpose. On the other hand study tour is a trip with more than one object. It requires extensive planning and preparations.

**Stages**

- 1 Selection of venue
- 2 Getting permission form concerned organisations.
- 3 Planning and Scheduling of the trip – Which consists of preparation of tool for study whom to be introduced date, time, expenses etc.
- 4 Assigning task to the group leaders
- 5 Actual visit
- 6 Monitoring the visit by the teachers
- 7 Reporting
- 8 Evaluation

**Brain storming**

Brainstorming is one of the best methods of creative problems solving. It facilitates generation of ideas quickly. It stimulates fresh ideas and enables participants to break loose from fixed ways of responding to problems.

**Brain storming Rules**

- 1 No response is wrong
- 2 Welcome as many responses as possible, quantity is required
- 3 Every response is accepted without discussion or judgement (free wheeling)
- 4 No criticism is allowed
- 5 Allow to work on others idea

Once brainstorming has elicited quantity sufficient number of responses, the students may be guided to use their analytical and synthesis skills to determine best ideas.

### **Steps in brain storming**

The following steps may be used to run a brain storming session

- 1 Presentation of the problem
- 2 Provide relevant information
- 3 Record the ideas put forth by the participants
- 4 Combine similar ideas
- 5 Evaluate each idea/solution
- 6 Selection of the best solution

It is important to note that the last step is not an essential part in brainstorming when it is used as an instruction strategy.

### **Discussion**

Discussion is a strategy in which students learn by sharing experiences and opinions with each other. The teacher has to carefully plans the lesson to reach desired learning outcomes and guides the discussion through questioning and summarizing

The group interacts in response to questions. The flow of communication can be smoothened among all the learners.

### **Organisation of Discussion**

The following stages are involved on the organisation of discussion.

- 1 Introduction

It should be initiated by the teacher. As much as facts and features that can be elicited should be drawn

The topic for discussion may be pinpointed and the key areas are to be developed

- 2 Development

In this stage the teacher can use

- Lead points
- Follow up interactions

- 3 Transitions

In this stage, the key points may be reviewed. Participation of all learners may be ensured.

- 4 Summarisation /Conclusion

At this stage teacher may provide additional support material to ensure the achievement of the objectives.

### **Role Play**

In role-play the students have to project themselves into simulated interpersonal situations and act out the part of the persons and situations assigned to them. It is a very useful strategy to develop interpersonal skills and strengthen learning in identified areas.

### **Case study**

A case may be a person, institution or a community.

Case study is an indepth analysis of an actual event or situation. It presents real pictures of situations with facts, objective information or data. Learners analyse the case to interpret, predict and revolve issues associated with it. The case study provides the learner an opportunity to analyse and apply concepts, data and theory taught from the class. Learners can work individually or in groups.

By studying realistic cases in the classroom, students develop new

insights into the solution of specific on-the-job problems and also acquire knowledge of the latest concepts and principles used in problem solving.

Case may be presented by the teacher or may be provided in print form.

A simple case study may have the following steps.

- Collection of data
- Conversion of data into information
- Analysis of the case in groups
- Presentation of the findings by each group leader
- Evaluation

## **Collections**

Collection is continuous learning activity which ensures students participation and involvement in whole. In commerce, collection can be of pictures, brochures, advertisements, ideas, documents etc. Collection of materials provides direct experience to learners. An exhibition can be conducted to display the collected materials which strengthens various concepts among learners.

In addition to the above mentioned learning strategies, there are many other learning strategies which can be used in appropriate situations to enrich learning process such as interview, problem solving etc.



# CURRICULUM OBJECTIVES & SYLLABUS

## Curriculum Objectives

- To obtain an understanding about the concept of risk and features of risks which can be insured through group discussion and prepare notes.
- To get an idea about different types of risk and to analyse their implications in life, business and other human activities through case study and prepare notes.
- To get a thorough idea about pure and speculative risk and its application in business through case study and discussion.
- To develop an idea about management of risk and different methods of handling risk through group discussion and notes.
- To make an idea among the students about the functions of insurance such as protection, financial stability, security, risk transfer, risk distribution, loss reduction, creating fund for investment, promotion of foreign trade and basis of credit through discussion and preparation of notes.
- To examine the benefits of insurance to individuals, business and society through discussion and preparing charts.
- To create an idea among the students about insurance contract, elements of contracts, and classification of contract through case study and general discussion and prepare notes.
- To obtain an information about the origin of insurance and its development through group discussion, reading materials and thereby prepare notes.
- To obtain knowledge about different types of insurance such as life, health, and non-life insurance through case study and group discussion and prepare notes.
- To make a detailed analysis of property insurance such as crop insurance, building insurance, stock of goods insurance and machinery insurance through case study and group discussion and prepare notes.
- To get an idea about insurance of interest such as fidelity guarantee through case study, group discussion and prepare notes.
- To get an insight about the different aspects of liability insurances such as public liability, product liability, professional indemnity and employer's liability through case study, group discussion and prepare notes.
- To acquire concepts about different aspects of fire, marine and motor insurance and to analyse their elements through group discussion and prepare notes.

- To develop an idea about Insurable Interest and to analyse its implications while insuring a subject matter, to understand the financial interest in a subject matter and to differentiate insurance and gambling through case study and group discussion and prepare notes.
- To analyse the ethical values of disclosing material facts and effects of non-disclosure of it, through brain storming, general discussion and prepare notes.
- To get an idea about the procedure of payment of compensation to the insured and its mode of payment through case study and preparing notes.
- To obtain a clear knowledge about the application of the principles of subrogation and the right of the insurer after payment of claim through case study and preparing notes.
- To critically evaluate the right of the insurer in case of double insurance and the method of payment of claim and to prove that the principles of indemnity, subrogation and contribution are corollary to each other.
- To classify the causes of accident and to identify the direct cause of accident and remote cause of accident through case study and preparing notes.
- To analyse the process of underwriting a new business, to compare the methods of underwriting personal and commercial insurance and to understand the basis of calculating premium through discussion and seminar and prepare notes on it.
- To obtain information regarding claims related to life insurance and general insurance and to get an idea about notification of claims, settlement of claims and disputes by conducting a discussion and interview with an insurance expert and prepare notes on it.
- To undertake a project on the documents issued by the insurer in different occasions and to list out their contents. The students may be able to analyse the uses of different forms issued by the insurer.
- To establish the fact that renewal of general insurance policy is optional and it can be done by paying renewal premium from the group discussion and making notes.
- To make a detailed analysis about the marketing strategies adopted by the insurers for selling their products through field trip, observation and prepare reports.
- To collect information about re-insurance and different methods of re-insurance and to analyse its necessity in society through case study, group discussion and prepare notes.
- To get an idea about the different data processing such as ADP, EDP, IDP, systems and to locate its uses through general discussion, through reading materials and prepare notes.
- To acquire knowledge about different types of data processing machines and to locate its uses through general discussion and prepare note.

- To develop an idea about basic terms such as Hardware, Software, CPU, memory, Networks through group discussion, reading materials and prepare notes.
- To get an idea of virus infection and antivirus software through reading materials and prepare notes.
- To develop concepts about E-commerce and make a detailed analysis of its opportunities in business, through demonstration, interaction with experts and through reading materials and prepare notes.

## Syllabus

### Unit 1

- Concept of risk
- Meaning of risk
- Classification of risk
- Financial and non-financial risk
- Pure and speculative risk
- Fundamental and particular risk
- Management of risk

### Unit 2

- Functions of insurance
- Risks transfer
- The benefits of insurance
- Peace of mind
- Loss control
- Social benefits
- Development of insurance
- Insurance contracts

### Unit 3

Life and non-life insurance - insurance of person - P.A insurance, sickness insurance, health insurance, pension scheme;

Insurance of property - building, machinery, aircraft, streamers, stock of goods, cash, securities, crop, television, etc.

Insurance of interest - guarantee insurance, fidelity guarantee insurance, professional indemnity insurance, employer's liability insurance.

Fire, marine and miscellaneous insurance.

### Unit 4

- Principles of insurable interest
- Principles of utmost good faith
- Principles of Indemnity
- Principles of subrogation
- Principles of contribution
- Principles of proximate cause

### Unit 5

The underwriting process. The underwriting of personal insurance and commercial insurances. Claims - Life Insurance claims, Claims notification in connection with general insurance, claims settlement, adequacy of cover, disputes.

### Unit 6

Insurance documentation and publicity: Proposal forms, policies, cover notes and certificates, renewals, Non-payment of premiums, long term agreements.

### Unit 7

The insurance market place - insurance market, sellers, intermediaries, buyers - insurance brokers, insurance consultants, re-insurance.

### Unit 8

Data processing - Data processing system - ADP, IDP, EDP - Types of data processing systems.

Data processing machines classification of computer systems - input devices - output devices. Computer terminology - Hardware, Software - CPU, RAM - ROM - LAN - WAN - Laptop - Virus infection - anti virus - E-Commerce.

# IV

## PLANNING

In the context of the changing scenario in the field of Education, the role of the teacher is not simply to teach the syllabi. The emerging needs of education calls for a facilitator's role from teachers. The learning process should be student centered and activity oriented. Learning activities must enable the student to develop process domain and multiple intelligence skills to their maximum extent. No matter whether these skills are attained inside or outside the classroom, but the teacher must bear in mind, the fact that they are to be accomplished within a time frame. In order to achieve this end, the teacher may make necessary plans in terms of learning activities, the time required at various stages of learning, the time required for each unit, and also the desired outcome. The plan may be hierarchically structured as:

- a) Annual Plan covering the entire activities for the year as a whole.
- b) Unit plan which has to be prepared just before the start of a unit. Each chapter is treated as a unit.
- c) Daily Plan to provide learning activities for a day's learning.

### ANNUAL PLAN

Term	Month	Unit No.	Name of Units	Hourse	Total Periods
I	June	1	Nature of Risk	10	48
	July	2	Introduction to Insurance	10	
	August	3	Classes of Insurance	20	
	August	8	Application of Computers	8	
II	September	4	Special Principles of Insurance Contract	20	60
	October	8	Application of Computers	8	
	Novermber	5	Underwriting and Claims	20	
	December	6	Insurance Documentation publicity	12	
III	January	6	Insurance Documentation Publicity	8	32
	February	7	Insurance Market place	20	
	February	8	Computer Application	4	

**UNIT PLAN**  
**Nature of Risk**

No.	Curriculum Objectives	Ideas/ Concepts	Activities	Materials	Evaluation	Hours
1	To obtain an understanding about the concept of risk and features of risks which can be insured and prepare notes	Meaning/concept of risk, financial non financial risk, fundamental and Particular risk	Group discussion	Reference books, Newspaper cuttings	Chart, Assignment Notes, Acquired conceptual knowledge	2 Hrs
2	To understand about different types of risk and their implications in life, business, and other human activities through case study and prepare notes.	Physical and moral hazard, Risk, Peril and hazard Features of insurable risk.	Group discussion	Reference books, Journals Newspaper cuttings	Chart, Notes Discussion Acquired conceptual knowledge	2 Hrs
3	To get thorough idea about pure and speculative risk and prepare notes.	Pure and speculative risk	Case study	Ref. books Broucher Newspaper cuttings	Chart, Notes Discussion Acquired conceptual knowledge	3 Hrs
4	To develop an idea about management of risk and different methods of handling risk	Risk management, management of pure risk, Management of speculative risk	Group discussion	Ref. books Newspaper cuttings	Chart Acquired conceptual knowledge Notes	2 Hrs

**DAILY PLAN**

Class: **Fisrt Year**

Subject : **General Insurance**

Date:

Unit : **Insurance Market Place**

Time : **1 Hr**

**Curricular Objectives:** To make a detailed analysis about the marketing strategies adopted by the insurers for selling their products through field visit to an insurance office and analyse about marketing strategies and prepare report.

Activities	Feed back
<p>Strategies used: Discussion</p> <p><b>Activity I :</b> Discussion</p> <p>Suppose you visit an insurance market.</p> <p><b>Analyse:</b></p> <ol style="list-style-type: none"> <li>1 Sellers in the insurance market</li> <li>2 Buyers in the insurance market</li> <li>3 Intermediaries in the insurance market.</li> </ol> <p>The above details enable the students to get an idea about the insurance market.</p> <div style="border: 1px solid black; padding: 2px;"> <p>The parties in the insurance market are insurers, insurance agents and prospective buyers.</p> </div> <p><b>Activity II :</b> Field Visit</p> <p>A field visit can be organised to United India Insurance Company, Changanassery branch.</p> <p><b>Planning</b></p> <p>Students are given an overall idea about insurance market before the trip is organised. The following details should be collected.</p> <ol style="list-style-type: none"> <li>1 Prospective buyers of the insurance market</li> <li>2 Who are sellers of the insurance market</li> <li>3 Who are the intermediaries of the insurance market</li> </ol> <p>A discussion may be carried out in the classroom to prepare an interview schedule for interviewing the following persons.</p> <ol style="list-style-type: none"> <li>1 Managers of United India Insurane Company</li> <li>2 Development officers of United India Insurane Company</li> <li>3 Agents of United India Insurane Company</li> <li>4 Prospective buyers in the insurance market like                             <ol style="list-style-type: none"> <li>1 Individuals</li> <li>2 Firms</li> <li>3 Industrial Concerns</li> <li>4 Hospitals</li> </ol> </li> </ol>	<p>Almost all students have participated in the discussion, except Madhu and Sasi</p> <p>All students were able to get an idea about the parties in insurance market.</p> <p>All the students have participated in the discussion and have actually involved in preparing the interview schedule.</p>

Activities	Feed back
<p>The schedule and questionnaire must contain the following questions</p> <p>Question to manager and Development officer</p> <ol style="list-style-type: none"> <li>1 State the area of operation of the company</li> <li>2 What is the area of operation of the agents</li> <li>3 What are the various classes of insurance</li> <li>4 Types of policies issued in each class.</li> </ol> <p>Question to prospective buyers</p> <ol style="list-style-type: none"> <li>1 Are you an insured person</li> <li>2 In which company do you have insured</li> <li>3 In which company do you have insured</li> </ol> <p>Question to agents</p> <ol style="list-style-type: none"> <li>1 What is your qualifications to act as an agent</li> <li>2 Have you fixed any target for the business during the year</li> <li>3 What is the target given by the insurer for the business during the year</li> </ol>	

The remaining 12 hours can be utilised for the following purpose:

The students are required to proceed on the trip as per the schedule fixed. 4 periods are needed for the trip. Ask them to prepare a report on the basis of the data collected from the insurance office. On the next period brief discussion among the group can be arranged. On the next two periods the leader of each group is asked to present the details of report. After

discussion, suggestion can be incorporated in the final report.

The students are required to prepare individual final report showing

- a Sellers in the insurance market
- b Buyers in the insurance market
- c Intermediaries in the insurance market

The remaining 5 periods can be utilised for this purpose



# EVALUATION

The needs of the society determine the nature of education. Our educational system is undergoing rapid changes. As a part of this, new methods and scientific techniques are brought into practice. The system provides more importance to the learner- centered activities. Evaluation has to play a significant role in making the learning process more effective by providing diverse experience to the students, keeping in view the skills to be attained continuously by them. This calls for a major shift in the evaluation process.

Evaluation is a systematic process of collecting, analysing and interpreting evidences of students' progress and achievement both in cognitive and non cognitive areas of learning for the purpose of taking a variety of decisions.

As the curriculum is based on a particular vocation, capacity building in the selected vocation is the most important part and it should be evaluated accordingly. The technical skills, interest and devotion in the particular field, communication skills, analysis, organising and presentation skills etc. have to be evaluated. The personal and social qualities also have to be evaluated. Therefore the evaluation should be continuous and comprehensive (CCE).

## **Evaluation is a continuous process**

Learning is a continuous process and evaluation should be an integral part of this process. Students acquire various skills through a variety of learning experiences organised by the teachers. Teacher must take steps to enable the students to participate in the learning process, to make it a memorable experience. Evaluation through diverse experience ensures an all round development of the students and helps the teacher to make an assessment of his activities.

## **Evaluation should be Comprehensive**

To make it comprehensive, scholastic, co- scholastic, technical skills, capacity building and personal qualities of the students should be evaluated. Learning is an active mental process. Emphasis should be given to the evaluation of process skills as well as the product.

## **Components of Evaluation**

### **1. Terminal Evaluation (T.E)**

Terminal Evaluation should be in written form. The intention of the test must not be confined to memory test alone. It is an important tool for evaluating the facts, concepts, ideas gained by the learner. While preparing questions for the terminal evaluation, more emphasis should be given to the level of application, analysis, synthesis and evaluation than

knowledge and understanding. The question should be framed in such a way that the students are able to apply their various mental processes such as .

- Retrieves/recollects/retells information
- Readily makes connections to new information based on past experiences and formulates initial ideas/concepts.
- Detects similarities and differences.
- Classifies/categorises/organises information appropriately.
- Translates/transfers knowledge or understanding and applies them in a new situations.
- Establishes cause-effect relationships.
- Makes connection/relates prior knowledge to new information/ applies reasoning and draw inferences.
- Communicates knowledge/ understanding through different media.
- Imagines/fantasises/designs /

predicts based on received information.

- Judges/appraises/evaluates the merits or demerits of an idea/ develops own solutions to a problem.

## **2. Continuous Evaluation(C.E)**

Traditionally, we were following only single evaluation tool which measures the intellectual capacity of the learner. To eliminate the limitations of this method we have to evaluate the multi- dimensional competencies of the learner with regard to the practicability and nature of subject. The following tools are advised for Continuous Evaluation.

1. Seminar
2. Assignment
3. Class Test
4. Project

For recording the continuous evaluation class test (CT) is made compulsory along with any two of the above said tools. CT can be a written test, oral test (viva), Practical test.

### **How to Evaluate ?**

#### **1. Seminar**

<b>Sl. No</b>	<b>Stages</b>	<b>Points to be noted in stages</b>	<b>Score</b>
1	Planning and Organising	Topic, how to collect data, aids for presentation	4/3/2/1
2	Data Collection	Literature review, relevance, Sources	4/3/2/1
3	Content	structure, content depth	4/3/2/1
4	Preparation of paper	Arrangement of ideas, clarity , analysis, interpretation and evaluation	4/3/2/1
5	Presentation of paper	Communication, participation and discussion, reporting seminar report	4/3/2/1

## 2. Assignment

Sl. No	Stages	Points to be noted in stages	Score
1	Understanding about the content	Knowledge about the content	4/3/2/1
2	Comprehensiveness of the content	Content coverage	4/3/2/1
3	Ability to present	Structure, clarity language, creativity	4/3/2/1
4	Conclusion	Observation and findings	4/3/2/1
5	Timelines	Time bound completion	4/3/2/1

## 3. Class Test

Unit test must be conducted after the completion of each unit for diagnostic purposes and its average

should be recorded in the evaluation report of the learner under the head class test.

## 4. Project

Sl. No	Stages	Points to be noted in stages	Score
1	Planning	Relevance of the study, identification of problem, selection of appropriate tools for data collection and analysis	4/3/2/1
2	Data Collection	Adequacy, relevance and reliability of the data (literature review, field visit, Interview, observation and discussion)	4/3/2/1
3	Analysis and interpretation	Systematic arrangement of the data· analysis of the collected data and interpret, conclusions.	4/3/2/1
4	Presentation of report	Presentation of the report in logical and sequential order, authenticity of report, correlation with project diary	4/3/2/1
5	Timeliness	Time bound completion	4/3/2/1

**Distribution of Total scores of TE and CE**

The ratio of TE and CE fixed for the subject is 80:20 i.e. The maximum score fixed for TE is 80 and CE is 20. The minimum score to be obtained for TE is fixed at 30% ie, 24 score. The minimum score to be obtained for TE + CE is fixed at 30% ie, 30 score. No minimum score is fixed for CE.

**3. Practical Evaluation**

A student of commerce based vocational courses has to undergo practical work on typewriting and computer application. Therefore practical evaluation is important for learning effectiveness. Indicators for PE varies according to the nature of the course.

**Distribution of Scores of PE**

The maximum score fixed for PE is 150; the minimum score to be obtained is fixed at 40% ie, 60 score.

Typewriting English Paper I	20 Score
Typewriting English Paper II	30 Score
Computer Word processing	50 Score
External practical/Viva Voce	50 Score
Total	150 Score

**1. Typewriting English - I Paper (Speed)140 hrs**

Maximum Score : 20  
Time : 10 mts

To type write an ordinary printed passage containing 300 words, i.e., 1500 stroker (i.e. five strokes are treated as a word) with minimum capital letters in double line spacing with ten degree margin on left and five degrees margin on the right side. Special attention should be paid to

accuracy and neatness of execution.

Note: Five strokes will be counted as a word. Each depression of a key or the space bar will be counted as a stroke. Two strokes are counted after a full stop (full stop is a dot put at the end of a sentence), Interrogation sign, an exclamation mark and colon. One stroke after and one before a bracket, quotation and hyphen and one stroke after a coma and semicolon.

**2. Typewriting English - II Paper 140 hrs.**

Time : 1.30 Hours  
Maximum Score : 30

This paper will contain four questions. It is intended to serve as a test of the candidates knowledge of spelling, punctuation, printer's correction and common abbreviation and the ability to present in proper form the fair copies for signature. This consists of

- a) Statement
  - b) Official letters, Private letters, professional letters with carbon copies
  - c) Simple Government letters
  - d) Display - Advertisement, tender notice, notice
- 3) Computer Word Processing  
Maximum Score : 50

**Content Outline**

- Fundamentals of Computer
- Application and usage of computers
  - Classification of computers
  - Functional blocks of a Computer
  - Input Unit Output Unit - Memory Unit
  - Block Diagram
  - Hardware / Software

- Memory Devices
- High / Low Level Language
- Operating Systems

#### MS - Window

- Fundamentals of window - 95/98
- Components of Window
- Application and usage of a Window
- Desktop - Taskbar - Recycle Bin

#### Word Processing

- Basic feature and advantages over typewriting

#### MS - WORD 97/2000

##### Getting started with Word

- Starting Word
- Learning the word window
- Exiting Word

##### Creating a Document

##### Saving a Document

- Saving the Document
- Closing the created Document

##### Working on a New Document

- Creating a new document
- Opening an existing document

##### Editing the created Document

- Navigating in Word document
- Selecting text
- Inserting and deleting text
- Moving and copying text

##### Formatting Text

- Formatting with Toolbar
- Formatting with the menus and dialog boxes
- Setting tabs and indentations
- Formatting using shrink to fit features using clipart, auto shapes etc.
- Documenting points with footnotes.

##### Working with several documents

- Opening several documents simultaneously

- Switching between documents
- Displaying multiple documents simultaneously

##### Managing Word Environment

- Using views
- Switching to outline view
- Creating and editing outline text
- Showing and hiding outline text
- Zooming Documents
- Displaying hidden codes
- Splitting the document

##### Formatting long documents

- Using styles
- Using lists

##### Creating consistent look with templates

- Using Templates
- Modifying templates

##### Creating sections

- Headers and footers
- Dividing the document into sections
- Creating headers and footers

##### More on editing

- Finding and replacing a word in a document
- Checking and correcting spelling

##### Writing efficiency with the help of shortcut keys

##### Making spelling painless

##### Spelling and Grammar, Auto correction features

##### Incorporating Tables

- Creating a word table
- Formatting the table
- Advanced table features

##### Printing the document

- Setting up the page for printing
- Previewing and printing documents

##### Using Mail Merge

- Conducting a simple mail merge

● Merging mail list with form letters	<b>Full Mistake</b>	<b>Score</b>
● Creating labels	0	100%
● Edit a data source	1	98%
● Merging from other data base	2	96%
<b>MS Excel</b>	3	94%
● Creating worksheet	4	92%
● Inserting row and column	5	90%
● Functions	6	86%
<b>MS Power point</b>	7	82%
● Tools for presentation	8	78%
<b>Indicators and scores for PE</b>	9	74%
<b>I Type Writing English Paper I</b>	10	70%
	11	64%
<b>20 score</b>	12	58%
<b>Mistakes are</b>	13	52%
Spelling mistakes, omission, overtyping, wrong spacing etc. Each mistake is treated as a stroke mistake.	14	46%
Five stroke mistakes are treated as a full mistake.	15	40%
	(Mistake in strokes - 5 x full mistakes)	
	A student who secured below 'C' grade needs improvement	

**II. Type writing English Paper - II (30 Score)**

<b>Item</b>	<b>Evaluation points</b>	<b>%</b>	<b>Score</b>
a Statement	Neat ness Proper alignment Systematic arrangement Punctuations	20	6
b Private Letters/ Official letters/ Professional Letters (With Carbon Copy)	Neatness Proper format Quality of carbon copy Contents	40	12
c Simple Government- letters	Neatness systematic arrangement Proper allignment Content Timeliness	20	6

d Display/ Advertisement/ Tender notice	Attractiveness/neatness Proper allignment Systematicarrangement Border designing/content Timeliness	20	6
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A student who secured below 'C' grade needs improvement

**III. Computer Word Processing (50 Score)**

a Data entry:		20	10
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(The indicators for Typewriting English Paper -I Can be adopted here also)

Item	Evaluation points	%	Score
b Formating	Correct fond Allignment Line spacing Paragraph Columns	10	5
c Table	Creation of table Addition or deletion of rows and coloumns Systematic arrangement of data Presentation Use of merge and split cells	10	5
d Mail merge	Creation of base data Addition of field name Proper merging print preview	30	15
e Creating work sheet	Creation Presentation Content Addition/deletion	10	5
f Functions	Auto Sum Rounding Currency Symbols Sort Editing	10	5

g Power Point	Creation	10	5
	Use of word art		
	Use of clip art		
	animation		
	Slide show		

A student who secured below 'C' grade needs improvement

**IV. External Practicaical Cum Viva voce (50 Score)**

A. Pracacticals:	60 %	30 Score
(a) Identification		10 Score
(Identification of parts of Typewriter and Computer)		
(b) Procedure writing		10 Score
[Write procedure for mail merge/preparation of statement/presentation in power point <b>(Any one)</b> ]		
(c) Handling of equipments		5 Score
(Use of tools for cleaning and oiling type writing machine and handling of computer stationery)		
(d) Output		5 Score
B. Record		
	20%	10 Score
[Type written and computer print outs of practical works (Speed and Second Paper) and practicals relating to Vocational subjects]		
C. Viva - Voce		
	20%	10 Score
(Based on Vocational Subject)		

A student who secured below 'C' grade needs improvement

**4. Internship Evaluation**

Being a vocational course, a system to judiciously evaluate the required value addition and consequent capacity building in the selected vocational subject is highly essential. As the other evaluation components like CE, PE and TE cannot assess the vocational competencies and professional skills acquired by the

students, an internship evaluation (IE) component has been introduced to meet this requirement.

Internship evaluation should be done based on the following components.

**I. Regularity and punctuality**

A regular presence and habit of

time bound completion of task is a must for attaining maximum efficiency.

**II. Value addition**

Value addition can be evaluated through conducting field visits/survey. The experiences gained through field visit and survey increases the level of intrinsic motivation and positive attitude towards the vocational field and there by increase his value as a skilled semi- professional.

**III.Capacity building**

Capacity building can be evaluated through conducting the following activities.

1. OJT/Simulated experiment
2. Performance- Camp/ Exhibition/ Clinic.

3. Performance- Production/Service cum Training centre.

These components helps the students to practice the acquired skills in the real situation and there by increasing self confidence and promoting self reliance.

*Regularity and Punctuality can be evaluated by 5 point scale.*

While evaluating regularity and punctuality the attendance of the students and time bound completion of task have to be considered. The table given indicates the points that could be scored by each student. The maximum score fixed is 10. Therefore the score obtained by each student has to be converted out of 10.

**Rating scale**

		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	Regularity	Never regular	Often regular	Usually regular	Most of the time regular	Always regular
2	Punctuality	Never Punctual	Often Punctual	Usually Punctual	Most of the time Punctual	Always Punctual

The aim of value addition is to measure the interest, devotion Group managment, perseverance of the learner in specific areas Value addition can be evaluated from field visit, survey and simulated experiments.

Capacity building is aimed at measuring the skills of the learner from OJT/ production cum training centre/ research and development/ graded area exposure.

IE Item	Evaluation Indicators	Weightage	Score
<b>1. Regularity and Punctuality</b>			10
<b>2. Value addition</b>	<p><b>Field Visit</b></p> <p>1. Attitude and readiness towards the task.</p> <p>2. Capacity for observation.</p> <p>3. Data collection.</p> <p>4. Application of ideas.</p> <p>5. Documentation/ recording.</p> <p style="text-align: center;">OR</p> <p><b>Survey</b></p> <p>1. Planning.</p> <p>2. Data collection.</p> <p>3. Consolidation of data and analysis.</p> <p>4. Drawing inference.</p> <p>5. Reporting.</p>	<p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p>	20
<b>3. Capacity building</b>	<p><b>OJT/ Simulated Experiment/ Practical skill</b></p> <p>1. Involvement/ Participation.</p> <p>2. Skills in doing work/ Communication skill.</p> <p>3. Time bound action.</p> <p>4. Capacity for observation, analysis and innovation.</p> <p>5. Documentation, Recording and display.</p> <p style="text-align: center;">OR</p> <p><b>Performance in camp/ Exhibition/ clinic</b></p> <p>1. Ability for planning and organising.</p> <p>2. Mastery of subject.</p> <p>3. Ability for communication.</p>	<p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p> <p>4/3/2/1</p>	20

IE Item	Evaluation Indicators	Weightage	Score
	4. Innovation. 5. Involvement/Social commitment. OR <b>Performace in production/ service cum training centre (PSCTC)</b>	4/3/2/1 4/3/2/1	
	1. Mastery of vocational skills. 2. Managerial capacity. 3. Promoting self confidence. 4. Innovative approach. 5. Promoting self - reliance.	4/3/2/1 4/3/2/1 4/3/2/1 4/3/2/1 4/3/2/1	

**Vocational Competency Items for Internship Evaluation**

Items	Score
Regularity & Punctuality	10
Field visit/survey(any one)	20
OJT/simulated experiment/ Practical Skill/ Performance- Camp/exhibition/Clinic Performance- PSCTC (any one)	20
<b>Total</b>	<b>50</b>

The maximum score fixed for IE is 50; the minimum score to be obtained for IE is fixed at 30% ie, 15 score.

A minimum of 80% attendance is required for promotion to the second year. Those who have shortage of attendance should repeat first year. Those who have 80% and above attendance but failed to achieve 30%

of internship evaluation (IE) will be promoted to the second year. He has to improve the component in which he performed poor. He has to attain the minimum by improving the particular component to get eligible for appearing second year public examination.

## Grading

Continuous Evaluation is essential for activity based learning process. But the skills achieved by the students cannot be completely measured in terms of Marking system. Marking system proved unscientific in evaluating the growth and development of individual students both in cognitive and non- cognitive areas. Classification of students in terms of marks were both unjust and indefensive. It also creates mental stress and strain among the students. To overcome this limitation, a popular mode of evaluating students' performance known as grading system has been evolved. It is quite extensively used all over the world. At the Vocational Higher Secondary stage, it is desirable to use a 9 point scale absolute grading to co- ordinate and record the evaluation. After giving the score, they are changed into percentages and appropriate letter grades are awarded corresponding to each percentage. This system is termed as absolute grading.

The Score percentage and corresponding letter grade is given below:

Score in percentage	Grade
90 - 100	A +
80 - 89	A
70 - 79	B +
60 - 69	B
50 - 59	C+
40 - 49	C
30 - 39	D+
20 - 29	D
Below 20	E

### How to record Evaluation Results?

We have already discussed about the evaluation tools and their indicators. Using the indicators we have to record the scores on a prescribed format.

Inorder to record evaluation results, first CE elements are to be evaluated and recorded. Each CE element is given a score of 20 marks each. Therefore the maximum score of CE elements will be 60 marks, being three CE's are to be evaluated. Finally the total score must be reduced to 20 marks, for which a consolidated statement is necessary. Followed by this, a seperate consolidated statement incorporating the scores of TE and CE, PE and IE are to be prepared.

***While preparing the schoolwise score sheet, seperate grades have to be given for CE + TE, PE, IE.***

**I**

**Consolidated Statement of C.E**

**Stream: Commerce**

**Class - I year**

**Subject: General Insurance**

Sl. No1	Name	Assignment 20	Project 20	Class Test 20	Total Score 60	Score reduced to 20  Score obtained $\times \frac{20}{60}$
1.	Muraleedharan	15	10	11	36	12
2.	Shajee	10	15	14	39	13
3.	Saji Kumar	14	14	14	42	14

**II**

**Consolidated Statement of TE and CE**

**Stream: Commerce**

**Class - I year**

**Subject: General Insurance**

Sl. No1	Name	T.E 80	C.E 20	Total Score 100	Grade
1.	Muraleedharan	50	12	62	B
2.	Shajee	60	13	73	B+
3.	Saji Kumar	70	14	84	A

**III**

**Consolidated statement of PE**

**Stream: Commerce**

**Class - I year**

**Subject: General Insurance**

Sl.No	Name	Type Writing Paper I 20	Type Writing Paper-II 30	Computer Word pro 50	External Practical 50	Total 150	Grade
1	Muraleedharan	15	20	25	30	90	B
2	Shaji	15	25	30	35	105	B+
3	Saji Kumar	10	20	30	30	90	B

**IV****Consolidated Statement of I E****Stream: Commerce****Class - I year****Subject: General Insurance**

Sl.No	Name	Regularity & Punctuality 10	Field visit/ Survey 20	OJT/ Practical skill 20	Total Score 50	Grade
1.	Muraleedharan	5	12	10	27	C+
2.	Shajee	6	15	16	37	B+
3.	Saji Kumar	8	14	14	36	B+





# VI

## UNIT WISE ANALYSIS

### 1

## THE NATURE OF RISK

### **Introduction**

Human life and belongings are filled with risk. In actual practice, the term risk means financial loss. In insurance it means uncertainty about financial loss. The concept of risk in insurance refers only to uncertainty on economic matters. It has several meanings under different circumstances. In general sense, risk means exposure to danger. In a broader sense, risk is an uncertainty refers to unknown result of an event. The result may be helpful or harmful to human interest. Life without risk and uncertainty is not possible. The presence of risk and uncertainties in life, business, industry, etc. makes people alert, careful and imaginative in planning to counteract these uncertainties.

In this chapter we shall have a detailed study on the concept of risk.

### **Curriculum Objectives**

- To obtain an understanding about the concept of risk and features of risks which can be insured through group discussion and prepare notes.
- To get an idea about different types of risk and to analyse their implications in life, business, and other human activities through case study and prepare notes.

- To get a thorough idea about pure and speculative risk and its application in business through case study and discussion.
- To develop an idea about management of risk and different methods of handling risk through group discussion and notes.

### **Syllabus**

- Concept of risk
- Meaning of risk
- Classification of risk
- Financial and non-financial risk
- Pure and speculative risk
- Fundamental and particular risk
- Management of risk

### **Through the chapter (10hrs)**

For convenience this chapter is divided into four heads.

- 1 Concept of risk
- 2 Meaning of risk
- 3 Classification of risk
- 4 Risk management

### **1 Concept of risk**

#### **Suggested strategy-group discussion.(2hrs)**

A group discussion can be initiated to develop a general understanding of risk and different types of risk in daily life.

**Discussion points**

- What are the loss possibilities you face in your life.
- What are the financial and non-financial risk.
- Differentiate between risk affecting a person and a group.

After concluding the discussion the students may be able to get an idea of the concept and meaning of risk.

**Expected outcome**

A note on the concept and features of risk, prepare chart.

**2 Meaning and characteristics of Risk (2hrs)****Suggested strategy-****group discussion & case study.**

A group discussion can be initiated to develop an idea about meaning and characteristics of risk.

- 1 Theft conducted by an insured himself.
- 2 Tsunami

**Lead points**

- How risk arises?
- What are the chances which create or increase any peril.
- How hazard can be classified
- Whether it is possible to predict events (risk)
- Is it possible to insure all risks, if not. Why?
- State the characteristics of insurable risk.

The discussion may lead to get a clear idea about risk, peril and hazard and characteristics of risk.

**Expected outcome**

A note on the meaning and features of risk. Chart showing physical and moral hazard.

**3 Classification of risk (3 hrs)****Suggested strategy- Case study.**

Students may be familiar with risks. To differentiate between pure and speculative risk, the following case study may be adopted.

- 1 A bus collided with a scooter and the passenger of the scooter fortunately saved his life but the scooter was completely destroyed which cost Rs. 30,000/-
- 2 A business man purchased ready-made textiles worth Rs. 1,00,000/-. Due to change in fashion, he sold the products at a reduced price and sustained a loss of Rs. 50,000/, otherwise he would have been earned a profit of Rs. 75,000/-
- 3 The motorbike of Mr. Hareendranath was stolen by somebody. It costs Rs. 45,000/-
- 4 Tsunami affected the coastal area of Kerala during 2005, which originate in Sumatra due to earthquake in sea. It affected lakhs of people in different countries. Lakhs of people lost their life and properties costing crores of rupees.

**Lead points**

- Can you identify the risks involved.
- To whom the loss financially affects due to motorbike and Tsunami.
- Can you differentiate the nature of losses.
- 

Similar case studies can be cited in the case of financial and non-financial risk.

A discussion may be carried out and the students may be able to classify different types of risks.

**Expected outcome**

- A chart may be prepared by students showing different types of risks.
- Preparation of notes showing classification of risk.

**4 Risk management (3 hours)**

**Suggested strategy - group discussion.**

A discussion can be initiated to identify different elements of reducing risk. Separate discussion should be arranged for each class of risk. Emphasis should be given for reduction of moral and physical hazard.

**Lead Points**

- What measures would you suggest to reduce financial risk?
- Can you suggest certain measures to reduce (manage) pure and speculative risk?
- How can you manage moral hazard?
- 

After discussion the students are able to understand various methods of risk management.

**Activity**

Ask the students to prepare a chart filling up the blanks.

Basis	Pure Risk	Speculative Risk	Fundamental Risk	Particular Risk	Financial Risk	Non-financial Risk
• Nature	Produces only loss	Produces loss as well as gain	?	?	Financial Involvement	?
• Risk management	Insurance	?	Avoidance	?	?	?
• Affected Whom	Individual/Business	?	Affects a group	?	?	?
•						

**Expected outcome**

A note on methods of risk management. Prepare chart showing different methods of risk management.

**Assignment**

- 1 What are the possibilities of fire in a house. Explain the possible measures to reduce fire.
- 2 How the road accident can be reduced. Prepare a report on it.

**CE Possibilities**

- 1 Class test
- 2 Assignment

**UNIT ANALYSIS****1- NATURE OF RISK**

Objectives	Concepts/Ideas	Process skills	Activity	Materials	Evaluation
<ul style="list-style-type: none"> <li>To get a clear idea about concept and meaning of risk.</li> </ul>	<ul style="list-style-type: none"> <li>Meaning of risk, financial risk.</li> <li>Fundamental and Particular risk.</li> <li>Pure and speculative risk</li> </ul>	Analysis Classification Comparison	Group discussion	Reference books, Newspaper cuttings	Chart, Assignment Note prepared Acquired concept
<ul style="list-style-type: none"> <li>To differentiate between risk, peril and hazard</li> <li>To analyse characteristics of risk</li> <li>To differentiate between physical and moral hazard</li> </ul>	<ul style="list-style-type: none"> <li>Physical and moral hazard</li> <li>Characteristics of risk</li> <li>Risk, Peril and hazard</li> </ul>	Draw, conclusion Classification Comparison Analysis	Group discussion	Reference books, Journals Newspaper cuttings	Chart Preparation of Notes Participation in discussion Acquired concept
<ul style="list-style-type: none"> <li>To get an idea about different classes of risk.</li> </ul>	<ul style="list-style-type: none"> <li>Pure risk and speculative risk</li> <li>Fundamental and particular risk</li> <li>Financial and non-financial risk</li> </ul>	Comparative skill Analysis	Group discussion and case study	Reference books Brochure Newspaper cuttings	Chart Notes prepared Participation Acquired concepts
<ul style="list-style-type: none"> <li>To develop an idea about management of risk.</li> </ul>	<ul style="list-style-type: none"> <li>Reduction and management of risk.</li> <li>management of moral hazard</li> </ul>	Observation Communication Draws conclusion Establish Relationship	Group discussion	Reference books Newspaper cuttings	Chart Acquired concept Notes prepared

## INTRODUCTION TO INSURANCE

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### Introduction

Insurance is beneficial to individuals in many ways. Through scientific calculation of risk and distribution of financial loss individual, society and business is benefited. The premium collected by insurer is utilised for meeting their expenses and claims and the balance is invested in profitable industries. Thus, insurance speed up industrialisation. It has variety of functions to be completed in different circumstances. Development of insurance is a symbol of development of industry, business and commerce. It also provides employment opportunities.

### Curriculum Objectives

- To make an idea among the students about the functions of insurance such as protection, financial stability, security, risk transfer, risk distribution, loss reduction, promotion of foreign trade and basis of credit thorough discussion and preparation of notes.
- To examine the benefits of insurance to individuals, business and society through discussion and preparing charts.
- To create an idea among the students about insurance contract,

elements of contracts, and classification of contract through case study and general discussion and prepare notes.

- To obtain information about the origin of insurance and its development through group discussion, reading materials and prepare notes.

### Syllabus

- Functions of insurance
- Risks transfer
- The benefits of insurance
- Peace of mind
- Loss control
- Social benefits
- Development of insurance
- Insurance contract

### Through the chapter (10hrs)

For convenience, this chapter is divided into 4 heads.

- 1 Functions of insurance - risk transfer (3 hrs)
- 2 The benefits of insurance - peace of mind - loss control - social benefits (3 hrs)
- 3 Development of insurance (2 hrs)
- 4 Insurance contract (2 hrs)

### 1 Functions of insurance (3 hrs)

#### Suggested strategy-Brainstorming and discussion

A question is given to the students to identify the function provided by insurance.

#### Case 1

- 1 A businessman insured his life for Rs.10,00,000/- and he also insured his business under fire insurance for Rs.2,00,000/-
  - a A fire occurred in the business premises and he incurred a loss of Rs.5,00,000/-
  - b After 5 years, he died out of an accident.

The following questions are to be asked based on the above case.

- What is the financial position of the businessman after the fire?
- What is the position of his family after his death?
- How does the insurance company compensate the loss?

The points to be given by the students may be connected with the functions of insurance.

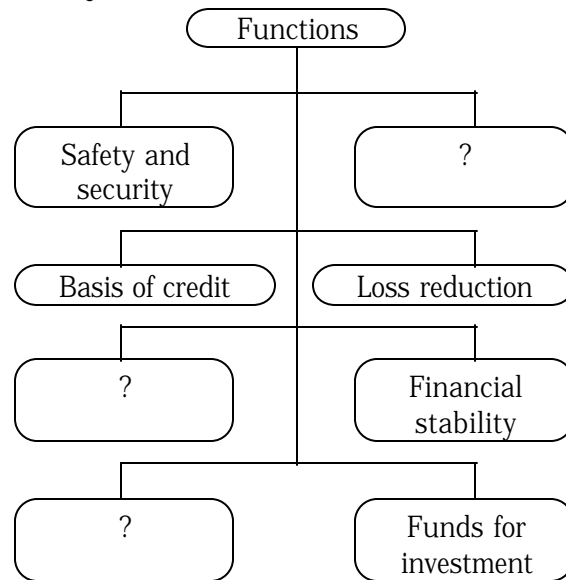
#### Case 2

Saji approached SBT for a loan to purchase a cow. The bank sanctioned the loan and instructed him to insure the cow for the loan amount. After three months, the cow was affected by a disease, but the insured carelessly handled the situation and it died. The insurer refused to pay the claim.

- Why did the banker insist to insure the cow?
- What will be the effect of insurance?
- Why did the insurer refuse to pay the claim.
- 

Consolidating the points, students should get the concept about various functions of insurance such as protection, security, financial stability, distribution of risk, loss reduction, fund for investment, promotion of foreign trade, basis of credit etc.

#### Activity



#### Expected outcome

- Preparation of notes on functions of insurance.
- Preparation of chart on functions of insurance.

### 2 Benefits of insurance (3 hrs)

#### Suggested strategy-Group discussion

1 Students may be provided with an example of a businessman who has insured his firm. Ask the students to discuss the following points:-

- What is the need for insurance?
- How will the insurer facilitate credit?
- How sharing of risk is possible?
- How can the job opportunities be increased?

Teacher can cite suitable examples

- 2 LIC has advanced Rs. 8 crores during this year to Kerala Water Authority for a project for supplying drinking water to Kuttanadu.
- From where did they get the fund?
  - What is the benefit of investing in such a socially benefited project?
  -

Consolidating the above points, the students may get the concept about benefits of insurance to individuals, business, nation and society and the need for investment of funds.

**Activity**

Parties	Benefits
Individual	<ul style="list-style-type: none"> <li>• Security and safety</li> <li>• Eliminate dependency</li> <li>• Distribution of risk</li> <li>•</li> <li>•</li> <li>•</li> </ul>
Business	<ul style="list-style-type: none"> <li>• Basis of credit</li> <li>• Provide security</li> <li>• Increase efficiency</li> <li>• Increase productivity</li> <li>• Business continuation</li> <li>•</li> <li>•</li> <li>•</li> </ul>
Society	<ul style="list-style-type: none"> <li>• Protection to family</li> <li>• Provide welfare</li> <li>• Capital formation and investment</li> <li>• Economic development</li> <li>• Socially desirable project</li> <li>•</li> <li>•</li> <li>•</li> </ul>
Nation	<ul style="list-style-type: none"> <li>• Increase national income</li> <li>• Nation building activities</li> <li>• Earn foreign exchange</li> <li>• Increase productivity</li> <li>•</li> <li>•</li> <li>•</li> </ul>

Ask the students to fill up the table.

**Expected Outcome**

- Prepare notes on benefits of insurance
- Prepare chart showing benefits of insurance to individuals, business, nation and society.

**3 Development of insurance (2hrs)**

**Suggested strategy Seminar and discussion.**

A seminar can be conducted in the subject of development of insurance.

**Topic of the seminar**

Development of insurance

**Collection of information**

Relevant data such as origin of marine insurance, origin of life insurance, origin of motor insurance, nationalisation of life insurance, nationalisation of general insurance and recent development of privatisation can be collected from the insurance offices, website of insurance companies and textbooks.

**Presentation**

Ask the students to present the paper. The moderator will conclude the session expressing his views.

- Evaluation by the students and teacher.

**Preparation of report**

- Seminar is followed by a discussion incorporating all the points to be covered under the topic.

**Expected outcome**

- Report on development of insurance.

**4 Insurance contract (2 hrs)**

**Suggested strategy - General discussion and case study.**

A general discussion can be initiated.

1 Mr. Murali offered a motor bike to his nephew Shaji, if he secure 'A+' grade in his SSLC examination. Shaji got 'A+' grade in the examination, but Murali refused to give bike. Shaji filed a suit against his uncle, but court rejected the petition.

**Leadpoints**

- Why did the court reject the petition?
- Is it a valid contract?
- Can you identify the elements of contract?
- Identify the parties to a contract?
- Whether Shaji is competent to enter into a contract.
- 

2 Smt. Geetha offered to sell her car to Sathi for Rs.2,00,000 and the latter accepted the offer.

**Leadpoints**

- Whether the parties are competent to contract?
- Whether the contract is legal?
- What is the object of contract?
- 

Consolidating the discussion the students may be able to analyse elements of contract such as agreement, legal consideration, legal object, capacity of the party, possibility of performance, written form and registration.

A group discussion may be initiated by asking the following questions.

- What is voidable contract?
- What is illegal contract, void, unenforceable contract?

After conducting the discussion the students may be able to get the concepts like void, voidable, illegal, unenforceable contract.

**Expected outcome**

- Notes on insurance contract elements and classes of contract, and preparing chart.

**Assignment**

- Collect pamphlets and leaflets of different policies from insurance offices and explain the benefits of insurance.

**CE Possibilities**

- 1 Class test
- 2 Assignment
- 3 Seminar

**Development of Insurance**

- Lloyd's Coffe House, in 14th Century.
- Insurance in the minute form was originated in England among the fishermen. They used to give some money to a faithful person before going to the sea. If they suffered any loss, it will be compensated by the person who keeps the money.
- In India, insurance started in 19th century. The foreign companies started the business and it was marine insurance.
- Up to privatisation

## UNIT ANALYSIS

### 2- INTRODUCTION TO INSURANCE

Objectives	Concepts/Ideas	Process skills	Activity	Materials	Evaluation
<ul style="list-style-type: none"> <li>To make an idea about functions of insurance</li> </ul>	<ul style="list-style-type: none"> <li>Risk transfer, protection, security, risk distribution, Invisible earnings</li> </ul>	Comparison Analysis draws conclusion	Brain storming & group discussion	Reference books, Paper cuttings Newspapers	Chart, Preparation of notes
<ul style="list-style-type: none"> <li>To deepen the idea about benefits of insurance to individual, business and society</li> </ul>	<ul style="list-style-type: none"> <li>Benefits of insurance to individuals</li> <li>Benefits of insurance to business</li> <li>Benefits of insurance to society</li> <li>Investment of funds</li> </ul>	Analysis, draws conclusion	Group discussion	Reference books, Paper cuttings	Chart, Preparation of notes
<ul style="list-style-type: none"> <li>To get an idea about origin and development of insurance.</li> </ul>	<ul style="list-style-type: none"> <li>Development of insurance</li> <li>Nationalisation and privatisation of insurance.</li> </ul>	Identification Generalisation	Seminar	Reference books Paper cuttings Journals	Assignment, Seminar Report
<ul style="list-style-type: none"> <li>To get an idea about insurance contract and to classify the contract</li> </ul>	<ul style="list-style-type: none"> <li>Meaning of contract, insurance contract</li> </ul>	Comparison Classification	Group discussion and case study	Reference books	Chart preparation

### 3

## CLASSES OF INSURANCE

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### Introduction

Human beings face various types of risk connected with several activities in the day to day life. Insurance is a method to reduce risk. Several types of insurance are introduced to suit these situations. In this chapter different types of insurance suitable for reducing different types of risk are dealt with.

### Curriculum Objectives

- To obtain knowledge about different types of insurances such as life, health, and non-life insurance through seminar, group discussion and prepare notes.
- To make a detailed analysis of property insurance such as crop insurance, building insurance, stock of goods insurance, machinery insurance etc. through case study and group discussion and prepare notes.
- To get an idea about insurance of interest such as fidelity, guarantee, honesty of employee, etc., through case study, group discussion and prepare notes.
- To get an insight about the different aspects of liability insurances such as public liability, product liability, professional indemnity and employers liability through case

study, group discussion and preparing notes.

- To acquire concepts about different aspects of fire, marine and motor insurance and to analyse their elements through group discussion and prepare notes.

### Syllabus

- Life and non-life insurance - insurance of person - Personal Accident insurance, sickness insurance, health insurance, pension scheme;
- Insurance of property - building, machinery, aircraft, streamers, stock of goods, cash, securities, crop, television, etc.
- Insurance of interest - guarantee insurance, fidelity guarantee insurance, insurance of liability - public liability insurance, product liability insurance, professional indemnity insurance, employers liability insurance.
- Fire, marine and miscellaneous insurance.

### Through the chapter (20Hrs)

For the convenience this chapter is divided into 5 heads.

- 1 Life and non-life insurance - insurance of person, sickness insurance, health insurance and pension schemes (4 Hrs)

- 2 Insurance of property - building machinery, aircraft, steamers, stock of goods, cash, securities, crop insurance (4 Hrs)
- 3 Insurance of interest - guarantee and fidelity guarantee insurance (3Hrs)
- 4 Insurance of liability - public liability, product liability, professional indemnity, employers liability (5 Hrs)
- 5 Fire, Marine, Motor, Burglary, Aviation insurance (4 Hrs)

**1 Life and non-life insurance (4 Hrs)**

**Suggested strategy-Discussion and seminar**

The students may be able to get a thorough knowledge about life insurance, personal accident insurance, sickness insurance, health insurance and pension scheme in the classroom discussion. After that a seminar is to be conducted. The different stages to be adopted in the seminar is as follows.

**1 Selection of Topic**

The topic of the seminar is life and non-life insurance.

**2 Assignment of sub-topics to group members**

Different types of policies coming under the above head are given to group members.

**3 Collection of relevant information**

Information required for seminar can be collected from various sources namely insurance officers, agents, development officers etc.

**4 Preparation of the paper:**

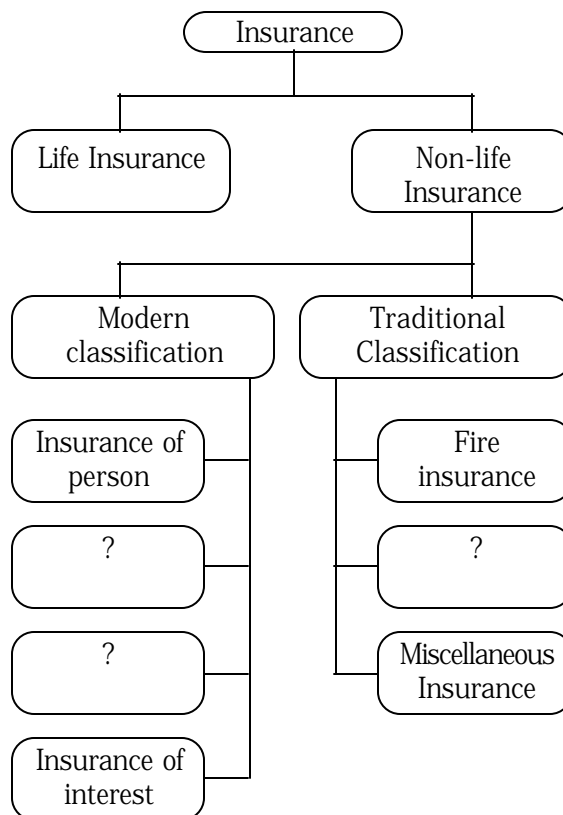
Based on the information collected the presenter may prepare a report and present it.

**5 Evaluation:**

Both teacher and student evaluate the programme.

**Activity**

Ask the students to prepare a chart showing classification of insurance.



**Expected outcome**

Seminar report showing the meaning and features of different classes of insurance.

**2 Insurance of property (4 Hrs)**

**Suggested strategy-Case study**

- 1 The house worth Rs.8,00,000/- of Mr Soman was badly damaged due to earthquake and suffered a loss of Rs.2,00,000/-
- 2 Due to heavy rainfall the paddy cultivated by Jose Mathew was completely destroyed. He expected a loss of Rs.50,000/- He has insured his crops with United India Insurance Co.

Teachers are expected to cite similar examples.

**Leadpoints**

- Can you identify the classes of insurance mentioned in above losses.
- Cite examples suitable to public liability, product liability and so on.

Consolidating the case study and group discussion students may be able to get the concept of product liability insurance and the risk covered under the policy.

After the case study, the students may be expected to analyse the features of different types of property insurance such as crop, building, stock of goods, machinery, etc.

**Expected outcome**

- Prepare notes on property insurance.
- Chart showing different types of property insurance.

**Insurance of interest (3 Hrs)**

**Suggested strategy: Case study and group discussion**

- 1 The salesman of Pallipurath Jewellery took gold ornaments of 500gms without informing the owner of the jewellery. Discuss the situations on the basis of the following conditions:
  - (a) The owner insured the jewellery for Rs. 2 crores.
  - (b) He was not insured

Teacher can cite similar examples.

**Discussion points**

- Which type of risks the jewellery owner faces.
- What kind of insurance can cover such risks.
- 

Consolidating the case study and group discussion students may be able

to get the concept of insurance of interest and risk covered under the policy.

**Expected outcome**

Notes on insurance of interest.

**4 Insurance of liability (5 Hrs)**

**Suggested strategy: Case study and group discussion**

- 1 The Gallery of Maharaja Stadium, Palakkad was Collapsed. The spectators viewing the tournament between India and Pakistan, suffered serious injuries. The court ordered to pay compensation of 2 crores to the injured persons.
- 2 Skin cream purchased by Mrs. Sathikumari from a shop caused allergy to her face.

Similar examples may be cited

**Discussion points**

- Who will pay the compensation to the injured.
- Whether such liabilities can be insured. If so, name the insurance of policy.
- 

From the points of case study and discussion, the concept insurance of liability and the risk covered under the policy may be consolidated.

**Expected outcome:**

Notes on liability insurance.

**5 Fire, Marine and Miscellaneous Insurance (4 Hrs)**

**Suggested strategy: Group discussion**

A discussion can be conducted by giving examples and newspaper cuttings. Students may be able to understand that there are insurance policies to cover risks of fire, marine and motor accident perils.

An exporter, Mr. Sudheer is having a godown and a motor vehicle.

**Discussion points**

- What type of insurance is available to cover motor accident risk.
- How can he insure the risk of loss of goods at godown.
- How can he insure the risk of loss of exporting goods.
- 

The discussion may be consolidated stating the effectiveness of fire, marine and miscellaneous insurance based on various perils covered.

**Activity**

Ask the students to classify the following items coming under each class of insurance.

- Insurance of person
  - Insurance of property
  - Insurance of liability
  - Insurance of interest
- 1 Motor vehicles
  - 2 Stock of goods
  - 3 Accident of person
  - 4 Machinery and plant
  - 5 Refrigerator
  - 6 Workers in a factory

- 7 Cashier in a bank
- 8 Aeroplane
- 9 Ships
- 10 Freight
- 11 Cargo
- 12 Risk of doctor
- 13 Risk of producer
- 14 Rubber plantation
- 15 Pigs
- 16 Lifts in a building
- 17 Plate glass
- 18 Jewellery
- 19 Baggage
- 20 Bankers risk on advance
- 21 Risk of school going children
- 22 Cancer
- 23 Singer
- 24 Risk of third party
- 25 Race horse

**Expected outcome**

Notes on fire, marine, motor and aviation insurances. A chart can be prepared stating different types of policies.

**CE Possibilities**

- Class test
- Seminar

**UNIT ANALYSIS****3- CLASSES OF INSURANCE**

Objectives	Concepts/Ideas	Process skills	Activity	Materials	Evaluation
<ul style="list-style-type: none"> <li>To obtain knowledge about different types of insurance such as life, health and non-life and to analyse its features</li> </ul>	<ul style="list-style-type: none"> <li>Meaning of life insurance</li> <li>Meaning of Health Insurance</li> <li>Sickness insurance</li> <li>Insurance of person</li> <li>pension schemes.</li> </ul>	Identification, analysis, classification, communication	Seminar	Reference books, Broucher, Leaflets, Advertisements	Chart, Preparation of notes Acquired concept Report of the seminar
<ul style="list-style-type: none"> <li>To get the concept of property insurance</li> </ul>	<ul style="list-style-type: none"> <li>Machinery breakdown insurance. Building insurance, Stock of goods insurance.</li> </ul>	Observation Comparison	Case study and Group discussion	Reference books, Paper cuttings Leaflets	Participation in discussion Prepared notes
<ul style="list-style-type: none"> <li>To get an idea about insurance of interest.</li> </ul>	<ul style="list-style-type: none"> <li>Fidelity guarantee insurance</li> </ul>	Observation Analysis	Case study and group discussion	Reference books Paper cuttings	Prepared notes Acquired concepts Participation in casestudy
<ul style="list-style-type: none"> <li>To get an insight about the meaning of liability insurance.</li> </ul>	<ul style="list-style-type: none"> <li>Public liability insurance.</li> <li>Product liability insurance</li> <li>Professional indemnity</li> <li>Employers liability</li> </ul>	Analysis, communication, Observation	Case study and Group discussion	Reference books Paper cuttings	Chart Prepared of notes Acquired concepts
<ul style="list-style-type: none"> <li>To examine the effectiveness of fire, marine and miscellaneous insurance</li> </ul>	<ul style="list-style-type: none"> <li>Fire insurance,</li> <li>Marine Insurance</li> <li>Motor insurance</li> </ul>	Analysis, comparison, Communication, Observation	Group discussion and case study	Reference books Paper cuttings	Chart Prepared of notes Acquired concepts

## PRINCIPLES OF INSURANCE

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### Introduction

Insurance contracts are governed by certain principles. These principles facilitate human beings to insure their subject matter against various risks faced by them. These principles are the legal base of insurance contract. It provides a legal enforceability to the insurance contract.

Considering the growing importance of insurance in the day-to-day life, it may be very necessary for the students to go through the important principles governing the contract of insurance.

### Curriculum Objectives

- To develop an idea about Insurable Interest and to analyse its implications while insuring a subject matter, to understand the financial interest in a subject matter and to differentiate insurance and gambling through case study and group discussion and prepare notes.
- To analyse the ethical values of disclosing material facts and effects of non-disclosure of it, through brain storming and general discussion, prepare notes.
- To get an idea about the procedure of payment of compensation to the insured and its mode of payment through case study and prepare notes.
- To obtain a clear knowledge about the application of the principles of subrogation and the right of the insurer after payment of claim through case study and prepare notes.
- To critically evaluate the right of the insurer in case of double insurance and the method of payment of claim and to prove that the principles of indemnity, subrogation and contribution are corollary to each other.
- To classify the causes of accident and identify the direct causes of accident and remote cause of accident through case study and prepare notes.

### Syllabus

- Principles of insurable interest
- Principles of utmost good faith
- Principles of Indemnity
- Principles of subrogation
- Principles of contribution
- Principles of proximate cause

**Through the chapter (20Hrs)**

For the convenience this chapter is divided into 5 heads.

- 1 Insurable interest (4 Hrs)
- 2 Utmost goodfaith (4 Hrs)
- 3 Indemnity (4 Hrs)
- 4 Subrogation (4 Hrs)
- 5 Contribution and proximate cause (4 Hrs)

**1 Insurable Interest (4 Hrs)****Suggested strategy-Casestudy**

- 1 Anu and Manu are intimate friends. Both of them have purchased CD player costing Rs. 10,000/- each. Manu made a proposal to insure their CD player. He took the responsibility of insuring them. Manu went to the Insurance office and insured his CD player, but the insurance Company refused to insure the CD player of Anu.

**Leadpoints**

- Why the company accepted Manu's offer.
- Why the company rejected to insure Anu's CD.
- What will be the effect of insuring a subject matter having no monetary interest.
- 
- 2 Sindhu disposed off her house which was insured on March 30th 2004, costing Rs. 18,00,000. On June 2004, the house was purchased by Bindhu. Due to fire a portion of the house was damaged and expected a loss of Rs. 5,00,000/- She approached the company for compensation but they rejected the claim.

**Leadpoints**

- Why the company rejected the claim

- Is it possible to transfer the insurance policy
- Can Sindhu claim the compensation.
- 

Consolidating the above points the students may be able to get the concept of insurable interest and to analyse the elements of insurable interest such as transfer of insurable interest essentials of insurable interest, how insurable interest arise, time when insurable interest must exist (including life insurance)

**Activity**

Ask the students to prepare a chart showing the relationship which create Insurable interest.

**Expected outcome**

Prepare notes on insurable interests

**2 Utmost goodfaith (4 Hrs)****Suggested strategy-Brainstorming and discussion**

- 1 Students are asked - "What details would you give to insurance company for insuring your house."
- 2 Their suggestions are recorded.

The following questions may be asked to lead further discussion.

**Discussion points**

- What will be the effect of not disclosing some details.
- Some details need not be disclosed by insured. What are they (exempted material facts)
- Can you differentiate between a commercial contract and insurance contract.
- Some details are given to the insurer to mislead him (misrepresentation, fraud, concealment). Then what will be the effect of insurance contract.

Consolidating the above points the students may be able to get the meaning of the material facts and utmost goodfaith. The students must be able to differentiate between a commercial contract and insurance contract (goodfaith Vs. utmost goodfaith), effects of non-disclosure of material facts.

**Activity**

Ask the student to prepare a chart enlisting the material facts to be disclosed by the insured under different types of insurances.

**Expected outcome**

- Prepare notes regarding utmost goodfaith.

**3 Indemnity (4 Hrs)**

**Suggested strategy: Casestudy**

1 Pepper costing Rs.10,00,000 was insured under fire insurance on Feb. 2004. Due to accidental fire in the godown, it was completely destroyed in April. The claim was intimated by the insured for Rs. 10,00,000/-. The insurance company estimated the loss at Rs.8,00,000/- on the basis of market value of pepper at the time of loss.

- Why the company does not allow Rs.10,00,000/-.
- Suppose the market value of the pepper at the time of loss was Rs.12,00,000/-. How much compensation will be given by the insured. (Indemnity is limited to sum insured)

**Leadpoints**

- Why the company paid compensation for Rs.8,00,000/- only.
- What is the mode of payment of compensation (method of indemnity)

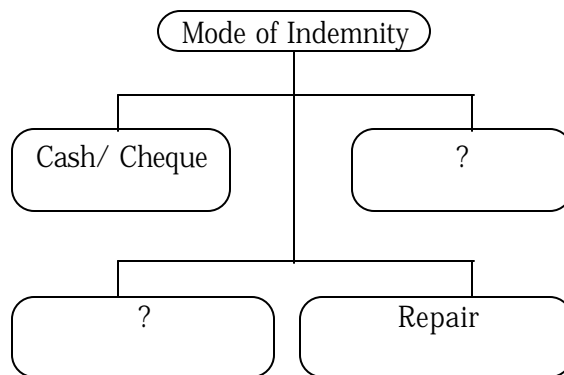
- Is this principle applicable to life and personal accident insurance.

Suitable examples may be cited

Consolidating the above points, students may be able to get concept of indemnity, limit of indemnity subject to sum insured, mode of payment and the fact that the insured is not allowed to make profit. Indemnity principle is not applicable in life insurance as monetary compensation is not possible in life insurance.

**Activity**

Ask the student to prepare and complete the chart.



**Expected outcome**

Notes on indemnity.

**4 Subrogation (4 Hrs)**

**Suggested strategy: Casestudy**

- The house of Vinod was insured under fire insurance for Rs.5,00,000/-. Due to the fault of Gopu the building was partially burned. The loss estimated is for Rs.2,00,000/- and company paid the amount to Vinod. He also got an amount of Rs.2,00,000/- from Gopu.

**Leadpoints**

- Whether Vinod is entitled to get compensation from Gopu.

- Whether Vinod has a right to claim compensation both from insurer and Gopu.
- Can the insurer recover the amount from Gopu.
- 

Consolidating the points the students get an idea about principles of subrogation, right of the insurer after the payment of loss and the fact that this principle is complementary to principles of indemnity. The insurer obtains a letter of subrogation from the insured for exercising the subrogation rights. Salvage is taken over by the insurer.

**Expected outcome:**

Preparation of notes on subrogation.

**5 Contribution (2 Hrs)**

**Suggested strategy: Casestudy**

- a Soubhagya insured her shop against fire for Rs.10,00,000/- each with Oriental Insurance Company and United India Insurance Company. A fire occurred and stock of Rs.2,00,000/- was destroyed. She claimed the loss from both the companies for Rs.2,00,000/- each. But both the companies paid Rs.1,00,000/- each.
- b Oriental Insurance Company paid the entire loss of Rs.2,00,000/- to Soubhagya and the Oriental Insurance Company recovered Rs.1,00,000/- from United India Insurance Company.

**Leadpoints**

- It is possible to claim Rs.2,00,000 each from both the insurers. If so what is the impact of indemnity principle.
- Why did Oriental Insurance Company recover Rs.1,00,000/-

from United India.

- Is this principle applicable to life and personal accident insurance.
- Is it possible to insure the same subject matter with more than one insurer
- 

Consolidating the discussion, the students may be able to understand double insurance (insuring with more than one company) claim is proportional to sum insured. The formula for calculating contribution

$$= \frac{\text{sum insured}}{\text{total sum insured}} \times \text{loss}$$

This principle is not applicable to life and personal accident insurance. This principle is complementary to principles of indemnity and subrogation.

**Expected outcomes**

Preparation of notes.

**6 Proximate cause (2 Hrs)**

**Suggested strategy: Casestudy**

A person insured under a personal accident policy went out hunting and met with an accident. Due to shock and weakness, he was unable to walk while lying on wet ground he contracted cold which developed into pneumonia which caused his death. The court held that claim is payable.

**Leadpoints**

- What is the actual cause of death?
- If there are more than one cause, which cause will be considered by the insurer.
- Reasons for getting claim.

- Why the court ordered to pay the claim.

Consolidating the points students may get an idea of proximate cause and remote cause.

**Assignment**

- 1 Ask the student to prepare a chart showing principles of insurance.
- 2 Prepare a chart showing different methods of indemnity.

- 3 Ask the students to prepare notes on prerequisites of contribution principle.

**Expected outcome**

- Preparation of notes

**CEPoints**

- Class test
- Assignment

**UNIT ANALYSIS****4- PRINCIPLES OF INSURANCE**

Objectives	Concepts/Ideas	Process skills	Activity	Materials	Evaluation
<ul style="list-style-type: none"> <li>To develop an idea about insurable interest</li> </ul>	<ul style="list-style-type: none"> <li>Financial interest in a subject matter.</li> <li>Insurance and gambling</li> <li>Essentials of insurable interest.</li> <li>Time when insurable interest must exist.</li> </ul>	Identification Observation Analysis	Group discussion and Case study	Reference books	Prepared notes Acquired concepts, Participation in group discussion
<ul style="list-style-type: none"> <li>To develop an idea about utmost goodfaith</li> </ul>	<ul style="list-style-type: none"> <li>Disclosure of material facts, difference between commercial contract and insurance contract.</li> <li>Effects of non-disclosure of material facts</li> </ul>	Analysis Comparison Observation Communication	Brain storming and discussion	Reference books	Prepared notes Acquired concepts, Participation in group discussion
<ul style="list-style-type: none"> <li>To get an idea and meaning of indemnity</li> </ul>	<ul style="list-style-type: none"> <li>Concept of indemnity, limits of indemnity is limited to sum insured, mode of payment.</li> <li>Indemnity is not applicable to life and PA insurance.</li> </ul>	Analysis Comparison Observation Communication	Case study and Group discussion	Reference books	Prepared notes Acquired concepts, Participation in group discussion
<ul style="list-style-type: none"> <li>To get an idea about meaning of subrogation</li> </ul>	<ul style="list-style-type: none"> <li>Concept of subrogation, right of the insurer after the payment of loss</li> <li>subrogation is corollary to the principles of indemnity, subrogation is not applicable to life and PA insurance</li> </ul>	Analysis Identification Observation	Group discussion and case study	Reference books	Prepared notes Acquired concepts, Participation in group discussion

Objectives	Concepts/Ideas	Process skills	Activity	Materials	Evaluation
<ul style="list-style-type: none"> <li>To get an idea about contribution principles</li> </ul>	<ul style="list-style-type: none"> <li>Concept of contribution, double insurance, pre-requisites of principles of contribution. Not applicable to life and PA insurance corollary to principles of indemnity and subrogation</li> </ul>	Analysis Identification Communication	Case study and Group discussion	Reference books	Chart Prepared notes Acquired concepts
<ul style="list-style-type: none"> <li>To get an idea about principles of causa proxima</li> </ul>	<ul style="list-style-type: none"> <li>Concept of proximate cause</li> </ul>	Analysis Communication Comparison	Case study and Group discussion	Reference books	Chart Prepared notes Acquired concepts

## UNDERWRITING AND CLAIMS

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### Introduction

The term underwriting has several meanings. In the broadest sense, it refers the entire transactions of insurance business. Thus, insurance companies are referred to as 'underwriters'. In a restricted sense 'underwriting' is the process of accepting or rejecting risks. If a risk is acceptable underwriting is further concerned with the fixing of rate of premium and other terms and conditions of insurance contract. In this sense, the term 'underwriter' is used to indicate the man who conducts the technical side of business, ie, that part of insurance function which deals with acceptance of risks as distinct from other functions such as development of business, accounts, investment etc.

### Curriculum Objectives

- To analyse the process of under writing a new business, to compare the methods of underwriting personal and commercial insurance and to understand the basis of calculating premium through a discussion and seminar and prepare notes on it.
- To obtain information regarding claims related to life insurance and general insurance and to get an

idea about notification of claims, settlement of claims and disputes by conducting a discussion and interview with an insurance expert and prepare notes on it.

### Syllabus

The underwriting process. The underwriting of personal insurance and commercial insurances. Premium calculation- claims - Life Insurance claims, Claims notification in connection with general insurance, claims settlement, adequacy of cover, disputes.

### Through the chapter (20Hrs)

For convenience the chapter is divided into two heads

1. Underwriting- underwriting of personal and commercial insurance, premium calculation (10hrs)
2. Claims- life insurance, general insurance, claims notification, settlement of claims, disputes (10hrs)

### 1 Underwriting Process ( 10 hrs)

#### ~~Suggested Strategy: Discussion and Seminar~~

Seminar can be conducted with a general introduction about the objectives of underwriting, premium calculation and underwriting of personal and commercial insurance.

**I. Planning Stage**

- Brief introduction of the topic
- Identify the group
- Identify the presenter
- Small areas can be assigned to groups.
  - The risk possibilities of the subject matter
    - a) Physical hazard
    - b) Moral hazard
- Identifying the prospective customer.

**II. Data Collection**

- Brochures
- Reference books
- Consulting with insurance experts

**III. Presentation Stage:**

- While presenting the seminar Students can comment on the topic including collection, opinion and suggestion
- Moderator will conclude the session by presenting his views
- Evaluation
- Seminar report

Seminar is followed by a discussion

At the end of the final session students reach into a conclusion about the process of underwriting, the methods of understanding personal and commercial insurance and basis of premium calculation.

**Expected outcome**

- Seminar report showing objectives of underwriting, methods of underwriting, personal and commercial insurance and basis of premium calculation.

<b>Activity:-</b>			
<b>Policies</b>	<b>Age group</b>	<b>Period</b>	<b>Premium</b>
Endowment Policy	22	20	?
Jeevan Anand	28	25	?
Marriage Endowment Policy	2	20	?
?	?	?	

**2 Claims and Settlement of claims (10hrs)**

**Suggested Strategy: Discussion with an expert and interview.**

A classroom discussion may be conducted about the procedural aspects of settlement of claims and for conducting interview with insurance officer for getting information about legal aspects of settlement of claim.

The following questions may be included in the schedule.

**Lead Points**

- What are the aspects to be considered before accepting a claim?
- Who can receive the claim?
- What are the evidences of loss to be submitted by the insured?
- How dispute is settled?
- 

Considering the above points, questions should be framed before interviewing the expert.

After the interview a discussion may be carried out consolidating the major points. Then the students must get an idea about settlement of claims relating to life insurance, general

insurance, notification of claim, settlement of claims and disputes.

**Assignment**

- 1 Ask the students to prepare a note on different aspects of underwriting a life insurance policy.
- 2 Ask the students to collect different forms from the insurance companies and fill it up.

**Expected Outcome:**

- Preparing notes
- Chart showing information in life and non-life claims
- Prepare report of interview

**CE Possibilities**

- Class test
- Assignment
- Seminar

## UNIT ANALYSIS

### 5- UNDERWRITING & CLAIM

Objectives	Concepts/Ideas	Process skills	Activity	Materials	Evaluation
<ul style="list-style-type: none"> <li>To get an awareness about underwriting</li> </ul>	Process of underwriting underwriting a new business, methods of underwriting, calculation of premium	Observation Analysis Draw Conclusion	Group discussion Seminar	Reference books Data collection Brochures Consulting with experts	Prepared notes seminar report Acquired concepts
<ul style="list-style-type: none"> <li>To have an idea about claim settlement</li> </ul>	Settlement of claim of life and general insurance and disputes	Observation analysis Communication skill	dicussion and Interview	Reference books, interview with experts	Prepared notes Acquired concepts Report of interview

## INSURANCE DOCUMENTATION AND PUBLICITY

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### Introduction

Generally, insurance policies are issued on the basis of proposal forms duly filled by the proposer. If the proposals are accepted, a cover note will be issued except in the case of life insurance. Afterwards the insurance certificate will be issued. In case of life insurance, renewal of policies are automatically done on payment of each premium. But, in case of general insurance, renewal of policy is optional.

### Curriculum Objectives

- To undertake a project on the documents issued by the insurer in different occasions and to list out their contents. The students may be able to analyse the uses of different forms issued by the insurer and their necessities.
- To establish the fact that renewal of general insurance policy is optional and it can be done by paying renewal premium from the group discussion and making notes.

### Syllabus

Insurance documentation and publicity: Proposal forms, policies, cover notes & certificates renewals, Non-payment of premiums, long term agreements.

### Through the chapter (20 hrs)

For convenience this chapter is divided into 2 heads

1. Proposed forms, policies, cover notes and certificates (15hrs)
2. Renewals, non payment of premium, long term agreements (5hrs)

#### 1 Proposal forms, policies, cover notes and certificates (15hrs)

#### Suggested Strategy: Project

#### I Selection of the Topic

##### a Identifying the problem

The Insurance Companies issue various forms and certificates for effecting insurance policies. Do you know the types of forms issued by the companies and how they can be filled up?

What are the certificates issued by the insurer.

##### b Formulation of title - Title Insurance documents

#### II Objectives

- 1 To identify different forms and documents used in insurance business.
- 2 To analyse the features of different forms and documents used in insurance.

**III Planning**

**a Formulation of hypothesis**

- Insurance Companies use variety of forms and documents in their business.
- Some forms and certificates are not required in certain kinds of policies.

**b Methods and techniques**

It is proposed to visit the branch offices of the LIC, Oriented Insurance Company and the National Insurance Company.

**c Identify the source of data**

The data may be collected through questionnaire and interview.

**d Collection of data**

The various forms can be collected by visiting the branch offices of LIC, Oriental Insurance Company and National Insurance Company through interview with the branch manager, development officer and other staffs.

- Whether proposal forms are needed for all kinds of insurance?
- What are the various types of Insurances, where the certificates and policies are issued.
- How the proposal forms and certificates are filled up?
- What are the details collected through proposal forms?
- What is the need of issuing certificates of insurance?
- What is the need of issue of policy?
- What is the need of the cover note?
- What is the need of the Agents Confidential Report?
- How the claims are settled and whether any forms are used, settlement of claims.
- 

An interview with the policy holders will be arranged and copies of certificates, cover notes and policies are collected.

An interview can be arranged with a surveyor for collecting the following information.

- What is the purpose of the survey?
- What information os collected through survey?
- What is the qualification of surveyor?
- Whether licence is required to act as a surveyor?
- 

**e Analysis and interpretation of data**

The collected forms and certificates are classified and presented by learners in an attractive manner, specifying its uses.

**f Findings**

The collected forms can be presented in the form of a chart.

Type of Insurance	List of forms and documents	Uses and features
General Insurance	<ul style="list-style-type: none"> <li>• Proposed form</li> <li>• Cover note</li> <li>• Insurance policy</li> <li>• ACR</li> <li>• Claim forms</li> <li>• Discharge voucher</li> <li>• Certificate of insurance</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> </ul>
Life insurance	<ul style="list-style-type: none"> <li>• Proposed form</li> <li>• ACR</li> <li>• Medical Inspection report</li> <li>• Claim form</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> </ul>

#### IV Preparation report

The report should be prepared by each learner in the format given in chapter 'Learning Strategies'.

The project can be presented by any one of the students in a class meeting or commerce club meeting.

#### 2 Renewals, Non-payment of premium, long term Agreements

##### **Suggested strategy: group discussion (5hrs)**

Discussion can be initiated by giving a case study.

Ananthu insured his house for Rs.5,00,000/- on 1<sup>st</sup> Jan, 2004. He sustained a loss of Rs. 2,00,000/ on Jan 2, 2005 and claimed the loss from the insurance company, But they refused. Discuss.

#### **Lead Points**

- Why did the company not paid the claim?
- What is the duration of a general insurance policy ?
- Whether it is necessary to inform the insured about the expiry of the policy?

Similar examples can be cited by the facilitator.

Consolidating the discussion, the students may get the fact that the renewal of general insurance policy is optional. It can be done by payment of renewal premium. In case of long term agreements no renewal is required annually.

#### **Expected outcome**

- Prepare notes

#### **CE Possibilities**

- Class test
- Project

## UNIT ANALYSIS

### 6- INSURANCE DOCUMENTATION & PUBLICITY

Objectives	Concepts/Ideas	Process skills	Activity	Materials	Evaluation
<ul style="list-style-type: none"> <li>To identify the different forms and documents used by the insurer and to analyse its features / uses.</li> </ul>	Meaning of proposal form, claim form, cover note, issue of policy	Identification Comparison, analysis Problem Solving Arriving at conclusion.	Project & group discussion	Reference books Collection of brochures & details from insurance offices	Project-diary Project-Report acquired concepts
<ul style="list-style-type: none"> <li>To get an idea about renewal of policies and to analyse its necessity on the society</li> </ul>	Meaning of renewal of life policy and general insurance policies	Identification, analysis arriving at conclusions	Group discussion	Renewal forms collected forms	Prepared notes

# INSURANCE MARKETPLACE

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## Introduction

The term insurance market comprises of insurers, buyers and intermediaries who bring the two together. The insurers are GIC of India and its four subsidiaries, LIC, PLI, SLI and private companies. The buyers are individual members of the public, traders, exporters and importers, industrial and commercial organisations, clubs, associations and hospitals, etc. The intermediaries are those who bring the insurer and the buyers together. They include the agents/ advisors, development officers and brokers duly licenced by the authorities.

## Curriculum Objectives

- To make detailed analysis about the marketing strategies adopted by the insurers for selling their products through field trip, observation and prepare reports.
- To collect information about re-insurance and different methods of re-insurance and to analyse its necessity in society through case study, group discussion and prepare notes.

## Syllabus

The insurance market place - insurance market, sellers,

intermediaries, buyers - insurance brokers, insurance consultants, re-insurance.

## Through the chapter (20 hrs)

For convenience this chapter is divided into 2 heads

1. Insurance market, sellers, intermediaries, buyers, insurance brokers and insurance consultants (13 hrs)
2. Re-insurance (3 hrs)
3. Methods of re-insurance (4 hrs).

### 1 Insurance Market (13 hrs)

#### **Suggested Strategy: Field trip and group discussion**

A field trip can be organised to insurance market (visiting LIC, GIC, PLI, SLI and private companies, advisors, agents, etc.). Students should be given an overall idea about insurance market before the trip is organised. They are helped to prepare an interview schedule in the classroom. The following aspects are included in the schedule:

#### **Lead Points**

- How do you sell the product - what strategies are used.
- Area of operation of the company
- How will you make an awareness

- in the mind of the prospective buyers.
- Who are the prospective buyers and customers in the insurance market.
- What is the educational qualifications of the agent or brokers?
- Whether any training programmes are available to the agents.
- 

After the field trip a group discussion is to be carried out for consolidating the points and report is to be presented by each group.

#### **Activity**

- Ask the student to prepare a chart showing the various parties in the insurance market.
- Ask the students to list out various insurance companies in public and private sectors in the form of chart.

#### **Expected outcome**

Field trip report covering marketing strategies adopted by the insurer

### **2 Re-insurance (3 Hrs)**

#### **Suggested strategies: Casestudy and group discussion**

Ceramics Ltd. insured with United India Insurance Company for a sum of Rs.100 crores. United India again insured the risk with National Insurance for Rs.50 crores.

#### **Leadpoints**

- Why did united India re-insured the part of the risk with National Insurance.
- Why didn't they re-insure the whole risk with National Insurance.
- Whether United India may have to give premium to National Insurance?

- Did United India get any benefit from the re-insurance?
- 

Consolidating the discussion and case study the students get an idea about re-insurance. They must get the fact that re-insurance is an arrangement whereby an insurer who has accepted an insurance transfer a part of the risk to another insurer so that his liability on any one risk is limited to a figure proportionate to his financial capacity.

### **3 Methods of Re-insurance (4 Hrs)**

#### **Suggested strategies: Group discussion**

Certain cases may be given to the students for discussion.

- United India Insurance Company accepted an insurance policy for Rs.50 lakhs out of which they transferred Rs.15 lakhs to Oriental Insurance Company to reduce their liability. But the latter rejected the proposal.
- Cholamandalam Insurance Company and Tata AIG Insurance Company made an agreement between them that they will re-insure 50% of the original insurance policy accepted by each other.
- SBI Life Insurance made an agreement with life insurance corporation of India that the latter will accept any liability of the SBI Life Insurance Company if their liability exceeds 25 lakhs of rupees. Analyse the case and explain the method.

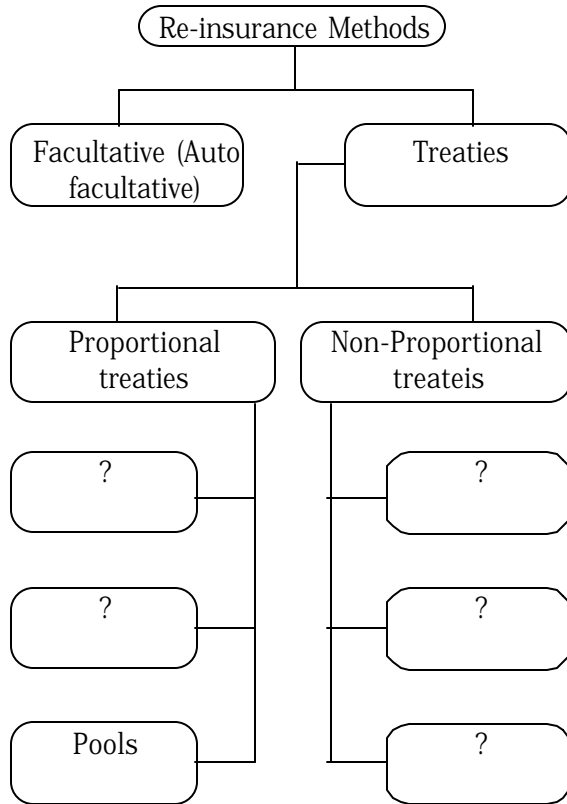
*Similar examples can be cited by the facilitator for all other methods.*

Consolidating the case study and group discussion the students get the fact that there are different

re-insurance methods such as facultative method and treaty methods, re-insurance pool and umbrella cover.

**Activity**

Ask the students to prepare a chart showing different re-insurance methods.



**Expected outcome:**

- Prepare chart on different methods of re-insurance

**Assignment**

- 1 Ask the students to prepare a note on re-insurance and different types of re-insurance methods.
- 2 Ask the students to prepare chart showing different methods of re-insurance.

**CE Possibilities**

- Class test
- Assignment

**Recent developments - Details may be given to students**

- Privatisation - list of Insurance companies,
- Insurance Regulatory and Development Authority (IRDA)
- Functions of IRDA
- Qualification and appointment of agents/ advisors
- Training of agents
- Fees for appointment of agents
- Surveyor
- Licensing of surveyor and fees

## UNIT ANALYSIS

### 7- INSURANCE MARKET PLACE

Objectives	Concepts/Ideas	Process skills	Activity	Materials	Evaluation
<ul style="list-style-type: none"><li>To get an idea about marketing of insurance policy</li></ul>	Insurance agent Insurance market buyers, sellers, brokers, insurance consultants	Analysis, observation, identification	Field trip and group discussion	Reference books, Discussion with experts, paper cutting brochures	Preparation of note report, chart acquired concepts
<ul style="list-style-type: none"><li>To have an idea about re-insurance</li></ul>	Necessity of re-insurance.	Observation and generalisation	Group discussion and case study	Reference books	Acquired concept participation in discussion.
<ul style="list-style-type: none"><li>To classify different methods of insurance and to analyse its features.</li></ul>	Methods of re-insurance	Analysis classification.	Group discussion and case study.	Reference books	Acquired concept participation in discussion.

## APPLICATION OF COMPUTERS

### **Introduction**

This chapter is designed to familiarise the students with different data processing systems data processing machines and also to acquire knowledge about E-Commerce and its possibilities in modern life.

A computer is high speed electronic devices, which can receive, process, store and give output. It accepts data through key board and other input devices, process it and produce the desired results.

### **Curriculum Objectives**

- To familiarise with the different data processing systems such as ADP, EDP, IDP, .... through general discussion, reading materials and prepare notes.
- To acquire knowledge about different types of data processing machines through general discussion and prepare note.
- To familiarise with basic terms such as Hardware, Software, CPU, memory. Networks through general discussion reading materials and prepare notes.
- To get an idea of administration virus infection and antivirus software through reading materials and prepare notes.

- To acquire knowledge about E-commerce and make a detailed analysis of its opportunities in business, through demonstration, interaction with experts and through reading materials and prepare notes.

### **Syllabus**

- Data processing - Data processing system - ADP, IDP, EDP - Types of data processing systems.
- Data processing machines classification of computer systems - input devices - output devices. Computer terminology - Hardware, Software - CPU, RAM - ROM - LAN - WAN - Laptop - Virus infection - anti virus - E-Commerce.

### **Through the chapter (20 hrs)**

For convenience this chapter is divided into 5 heads

- 1 Data Processing System
- 2 Data Processing Machines
- 3 Input Devices
- 4 Computer Technology
- 5 E-Commerce

### **1 Data Processing System (3 hrs)**

#### **Suggested Strategy: General discussion**

A discussion may be initiated by asking some questions.

**Lead Points**

- What is a data?
- How data can be processed into information?
- 

The discussion may be concluded by focusing on the different processing systems used.

**Expected outcome**

Notes on processing systems and its divisions.

**2 Data Processing Machines (4 Hrs)**

**Suggested strategy: General discussion**

A discussion may be initiated by asking some questions.

**Lead points**

- Do you have any idea about processing machines?
- Which are the processing machines.
- 

Discussion may be concluded on the following aspects.

- Types of computer
  - Analogue
  - Digital
  - Hybrid

**Expected outcome:**

- Notes on process machine

**3 Input-Output Devices (2 Hrs)**

**Suggested strategy: Group Discussion and Demonstration**

Take the students to your computer lab and demonstrate them the various input-output devices. Pictures can be also used for giving concepts regarding this topic.

**Expected outcome:**

- Notes on input-output devices

**4 Computer Terminology (4 Hrs)**

**Suggested strategy: Group discussion**

A discussion may be initiated on basic terms of computers which the students have already learned in previous classes. The teacher may conveniently group the students and assign each group two or three basic terms such as Hardware, Software, CPU, RAM, ROM, Network etc.

Ask them to prepare notes on terms and let the group leader to present it in the class. Lastly the teacher may consolidate the discussion.

**Expected outcome:**

- Notes on Basic terms

**5 E-Commerce (7 Hrs)**

**Suggested strategy: Interview, Discussion**

This term is a blend of electronics and commerce. The students are aware of the concepts of commerce and have basic idea on internet and E-mail. This topic is aimed at imparting knowledge about the electronic commerce.

The facilitator may arrange an IT expert and an interaction with him lead to acquire knowledge on E-commerce and its related matters.

**Interview Schedule**

The questions may include the following :-

- What are the activities involved in E-Commerce?
- What are the different E-Commerce models?
- What are the resources required for introducing E-Commerce?
- What are the security measures

related with E-commerce?

Alternatively, arrange a demonstration on the operation of E-commerce, using available IT facilities at the school.

The students may also be advised to visit an Internet Cafe to get first hand information on e-commerce to apply the acquired knowledge.

**Expected outcome:**

- Report on E-Commerce

**Assignment**

Visit an internet cafe, observe the activities involved in E-commerce and prepare report on the same.

**CE Possibilities**

- Class test
- Assignment

## UNIT ANALYSIS

### 8 - COMPUTER

Objectives	Concepts/Ideas	Process skills	Activity	Materials	Evaluation
<ul style="list-style-type: none"> <li>To get an idea about data processing systems</li> </ul>	Meaning of data processing, ADP, IDP, EDP	Comparison, observation, Classification	General discussion	Reading materials, Newspaper cutting	Chart, notes prepared, acquired Concepts
<ul style="list-style-type: none"> <li>To get a knowledge about data processing machines</li> </ul>	Meaning of input and output devices, types of computer systems.	Comparison, analysis, Classification	General discussion	Reference books & News paper cutting	Chart, notes prepared, acquired Concepts
<ul style="list-style-type: none"> <li>To get an idea about hardware, software, CPU and memory units</li> </ul>	Meaning of hardware, software, CPU, LAN, WAN, Laptop	Comparison, analysis, Classification	Group discussion	Reference books & journals	Chart, notes prepared, acquired Concepts
<ul style="list-style-type: none"> <li>To get an idea about virus infection, antivirus and software.</li> </ul>	Meaning of virus and antivirus	Comparison, observation, analysis	General discussion	Reference books and Journals, Newspaper cuttings	Notes prepared, acquired Concepts
<ul style="list-style-type: none"> <li>To get the concept of E-commerce and to analyse its importance in the modern age.</li> </ul>	Meaning of E-commerce	Analysis, observation	Interview, discussion	Internet facilities, paper cuttings, periodicals	Preparation of notes, acquired Concepts Report on debate

## SAMPLE QUESTIONS

- 1 Asok is the brother of Geetha. Asok decided to insure Geetha's car and filled up the proposal form and has given to the insurance company. The insurance co. rejected the proposal.
  - a Give reason?
  - b Enlist the features of insurable risk.
- 2 Roy runs a hotel. Can you identify various risks faced by Roy in running the hotel. How can these risks be covered?
- 3 Mahesh insured his house for Rs.5,00,000/- and remitted a premium of Rs.1,000. The house was completely destroyed by flood during Monsoon. The insurance company paid Rs.5,00,000 as compensation to Mahesh. How did the insurance company pay Rs.5,00,000 by receiving a premium of Rs.1000? Briefly explain.
- 4 Arun owns two cars, one is Maruthi and another an ambassador. He proposed to sell his car for Rs.2,00,000 and Baiju accepted it. Baiju paid Rs.2,00,000 for Maruthi car. But Arun proposed to sell his ambassador car. Comment on the validity of the contract.
- 5 Jayan purchased a second hand car from James for Rs.1,50,000. The car was stolen by James. Jayan proposed to insure his car with United India Insurance Company but the insurance company rejected the proposal. Why?
- 6 Ananthu aged 15 years made an agreement to sell his property worth Rs.50,000 to Asokan. Comment the validity of the contract.
- 7 Janardhanan insured his cow for Rs. 10,000. Accidentally the cow was grazing the neighbour's field where pesticide was applied, and the cow died. Janardhanan received Rs.10,000 from the neighbour as compensation. He claimed the compensation from the insurance company. Is it possible? Explain.
- 8 Sajith, a heart patient took a life insurance policy for Rs.2,00,000. After six months he died due to heart attack. The company refused to pay the claim. Why?
- 9 Ramanujam having a personal accident policy of Rs.1,00,000; rushed to the hospital due to heart attack, met with an accident on the way and he died.
  - a) Identify proximate cause and remote caused.
  - b) Is the insurance company liable to pay the compensation?
- 10 Gopalan wants to insure his house. As a student of General Insurance, what advice will you give to take insurance policy.
- 11 On 3rd September 2003 Meenakshi took Television Insurance for Rs.25,000. On 3rd September 2004. TV destroyed due to lightning. She lodged the

- claim with the insurance company but the insurance company denied the claim. Why?
- 12 United India Insurance company accepted an insurance policy for Rs.1 crores from Biju. United India Insured the same subject matter with GIC of India for Rs.25,00,000.
- What is this process called?
  - Why it is needed?
- 13 Nazeer remits life insurance premium in the nearest post office. Is it possible, if your answer is 'yes' what the policy called?
- 14 As a student of insurance Mr. Baby, your neighbour request advice from you that, he wanted to be acted as an insurance agent. Narrate the eligibility for an agent.
- 15 Sanjay and Sooraj are friends. Sanjay took a loan of Rs.75,000/- from Sooraj. Here Sooraj wishes to insure the life of Sanjay and he approaches the insurance company.
- To what extent is it possible.
  - Give reasons.
- 16 Rajendran, trustee of the Attukal Trust proposed to insure the elephant of the temple for Rs.5,00,000. Do you think that the company will accept the proposal. If not why?
- 17 XYZ is a partnership firm. Syam, Sundar, Sunil are the members of the firm. Syam went to the insurance office and insure the life of other partners. React to this situation?
- 18 Soman was an international trader. He insured his goods on 1st April 2004 for Rs.2,00,000. On 15th April he sold the goods to Sundar of London. On 21st May fire contracted and the entire goods was destroyed. Soman claim compensation. Why? Discuss.
- 19 Aruna is daughter of Suresh and Raji. She proposed to insure the life of her parents. Do you think that the insurance company will accept the proposal? Give reasons to your answer.
- 20 Manohar wishes to insure his life and furniture of his business for Rs.5,00,000. What details he should give to the insurer in case of life insurance and insurance of business.
- 21 Motor policy covers a loss on account of damage by accidental means. But denies to cover the loss of insured on account repair and renewal. Why?
- 22 Abhilash owns a motor bike which was insured for Rs.35,000/- while driving he was fined Rs.500/- for over speed by authorities he claimed the amount with insurer and insurer refused. Give reasons.
- 23 Renu insured her stock worth Rs.5,00,000/- for Rs.4,00,000. She suffered a loss of Rs.50,000 on fire. The insurer settled the claim for Rs.40,000. Justify.
- 24 New India Assurance Company has a total acceptance of Rs.460 crores during the year. It re-insures with GIC only for 92 crores. What happens to the remaining portion?

- 25 Bindhu lost her ornaments worth Rs.25,000/- by burglary. She informed the police immediately but report of loss to the insurer is made only after one month. Can you agree with this, if you are an insurer.
- 26 Suku reports a loss of Rs.10,000 to his car by an accident, the surveyor is on doubt that some of the damages are made deliberately by Suku. Insurer authorised a repairer to get the vehicle repaired. Why cash is not paid by the insurance company.
- 27 X insures his property for a value of Rs.10 lakhs. After a few days a fire was contracted and suffered a loss of Rs. 9 lakhs.
- What is the amount of compensation payable by the insurance company.
  - if the market value of the damaged property is 8 lakhs. What will be the amount payable by the insurance company.
  - if the insurance company paid Rs.10 lakhs. What will be the effect.
- 28 Manu insured his bus worth Rs.10,00,000/- After a few days an accident was occurred and suffered a loss of Rs.5,00,000/- and insurance company admitted the claim in full. Insurance company recovered the damaged parts of the bus. Comment on this.
- 29 Vaman insured his property with New India Assurance Company for Rs.1,50,000 and also insures the same property with United India Insurance Company for Rs.2,00,000. He suffered a loss of Rs.1,00,000 New India Assurance Company paid the full amount and claimed Rs.50,000 from United India. Comment.
- 30 The insured must bear a legal relationship to the subject matter whereby he stands to benefit by the safety of property, right or interest and stands to lose by any loss, damage, injury or creation of liability. Elucidate the doctrine behind this.