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| **PROGRAM** | **Master of Business Administration**  |
| **SEMESTER**  | **4** |
| **COURSE TITLE** | **Insurance and Risk Management** |
| **COURSE CODE** | **04MB0427** |
| **COURSE CREDITS** | **3** |
| **COURSE DURATION** | **42 Sessions**  |

**COURSE OUTCOMES:**

* Analyze the concept of Risk and role of insurance in Risk management.
* Appraise the role of Health insurance and fire insurance in providing financial protection under catastrophic risk.
* Evaluate the role of Marine insurance in enhancing international trade and risk management.
* Determine the risk associated with vehicle ownership and role of Automobile insurance.
* Identify the role of Reinsurance in risk transfer.

**COURSE CONTENTS:**

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| **Unit No** | **Unit / Sub Unit** | **Sessions** |
| **I** | **Introduction to Risk Management**Concept of Risk and Uncertainty, Peril, Hazard, Classification of risk – Pure and speculative risk, Diversifiable risk and non-diversifiable risk, Enterprise risk, Systemic risk, Technique of risk management. Insurance and Risk – Definition and characteristics of insurance, Insurance and Gambling, Insurance and Hedging, Type of insurance, Benefit, and cost of insurance. Introduction to Risk Management – Meaning and Objective of risk management, steps in the risk management, personal risk management, benefit of risk management. Enterprise risk management – Meaning, Insurance market dynamism, introduction to loss forecasting, Risk management tools  | 10 |
| **II** | **Non-Life Insurance - I**Health Insurance - Meaning, Current scenario, Health insurance plans schemes, Micro health insurance. Fire insurance – Fire insurance contract, proposal and coverage, special coverage, Progress of fire insurance. | 8 |
| **III** | **Non-Life Insurance – II**Marine Insurance – Definition, history of marine insurance, Marine insurance contract, marine insurance policies, policy condition, special marine cover, marine cargo loss and fraud. Automobile Insurance – losses associated with automobile ownership and usage, need of automobile insurance, type of policies, factors considered in premium rating. | 8 |
| **IV** | **Underwriting and Claim Management**Underwriting – Philosophy of underwriting, objective, and principles of underwriting, underwriting of life and non-life insurance.Claims Management – Introduction, claim settlement in general insurance, claim management in life insurance, repudiation of claims. | 8 |
| **V** | **Reinsurance and Financial Aspect of Insurance Companies**Reinsurance – Introduction, role of reinsurance, techniques of reinsurance, nature of reinsurance, reinsurance in India, Global reinsurance market, reinsurance trading. Financial Aspect of Insurance companies – Financial objective of an Insurance companies, role of financial manager, performance measurement of Insurance companies, Asset Liability management, ratio analysis in insurance companies | 8 |

**EVALUATION:**

The students will be evaluated on a continuous basis and broadly follow the scheme given below:

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|  | **Component** | **Weightage** |
| A | Continuous Evaluation Component (Assignments / Presentations/ Quizzes / Class Participation/ etc.) | 20% (C.E.C.) |
| B | Internal Assessment | 30% (I.A.) |
| C | End-Semester Examination | 50% (External Assessment) |

**SUGGESTED READINGS:**

**Text Books:**

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| **Sr. No** | **Author/s** | **Name of the Book**  | **Publisher** | **Edition and Year**  |
| **T-01** | P.K. Gupta | Essentials of Insurance and Risk Management | Himalaya | 1st Edition, 2016 |
| **T-02** | George E Rajeda &Michale J. McNamara | Principles of Risk Management and Insurance | Pearson | 13th, Edition,2016 |
| **T-03** | Scott E Harrington, Gregory R. Niehaus | Risk Management and Insurance | McGraw Hill | 2nd ,Edition 2013 |

**Reference Books:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sr. No** | **Author/s** | **Name of the Book**  | **Publisher** | **Edition and Year**  |
| R-01 | S. Arunajatesan& T. R.Viswanathan | Risk Management and Insurance | Trinity Press | 2ndEdition, 2015 |
| R-02 | P.K.Gupta | Insurance and Risk management | Himalaya | 2ndEdition, 2018 |
| R-03 | Trieschmann, James S, Hoyt, Robert E. ,Sommer, David W. | Risk Management and Insurance | Cengage Learning India Pvt. Ltd. | 12th, Edition, 2004 |