

Suggested Readings:

- Sukhatme, P.V., Sukhatme, B.V., Sukhatme, S. and Ashok, C. (1984). Sampling Theory of Surveys with Applications, Iowa State University Press, Iowa, USA.
- Mukhopadhyay, P. (1998). Theory and Methods of Surveys Sampling, Prentice Hall of India.
- Montgomery, D.C. (2001). Designs and Analysis of Experiments, John Wiley and Sons, New York.

Note: Examination scheme and mode shall be as prescribed by the Examination Branch University of Delhi, from time to time.

GENERIC ELECTIVE COURSE – 6B: Statistics in Actuaries**CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE**

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/Practice		
Statistics in Actuaries	4	3	0	1	Class XII pass with Mathematics	Nil

Learning Objectives

The learning objectives include:

- To learn about Utility theory
- To learn the principles of premium calculations
- To understand the survival distribution and life tables
- To learn Life Insurance models and life annuities

Learning Outcomes:

After completing this course, students will develop a clear understanding of:

- Statistics and Insurance applications
- Utility theory
- Principles of premium calculations
- Survival distribution and life tables
- Life insurance models and Life annuities.

SYLLABUS OF GE-6B**Theory****UNIT I (11 hours)****Introductory Statistics and Insurance applications**

Introductory Statistics and Insurance applications: discrete, continuous, and mixed probability distributions. Insurance applications, sum of random variables. Utility theory: Utility functions expected utility criterion, types of utility function, insurance and utility theory.

UNIT II (12 Hours)

Principles of premium calculation

Principles of premium calculation: Properties of premium principles, examples of premium principles

Unit III (12 Hours)

Survival distribution and life tables

Survival distribution and life tables: Uncertainty of age and death, survival function, time-until-death for a person, curate future lifetime, the force of mortality, life tables with examples

Unit IV (10 Hours)

Life Insurance and annuities

Life insurance: Models for insurance payable at the moment of death, insurance payable at the end of the year of death, and their relationships. Life annuities: continuous life annuities, discrete life annuities.

PRACTICAL/LAB WORK – (30 hours)

List of Practical:

1. Risk computation for different utility models
2. Discrete and continuous risk calculations
3. Calculation of aggregate claims for collective risks
4. Calculation of aggregate claim for individual risks
5. Computing ruin probabilities and aggregate losses
6. Annuity and present value of contract
7. Computing premium for different insurance schemes
8. Practical based on life models and tables

Practical work to be conducted using electronic spreadsheet / EXCEL/ Statistical Software Package/ SPSS/ calculators.

Essential Readings:

- Dixon C. M. D. (2005) Insurance Risk and Ruin (International Series on Actuarial Science), Cambridge University Press.
- Atkinson M.E. and Dickson, D.C.M. (2011): An Introduction to Actuarial Studies, Elgar Publishing.

Suggested Readings:

- Bowers N.L., Gerber H.U., Hickman J.C., Jones D.A., and Nesbitt C.J. (1997): Actuarial Mathematics, Society of Actuaries, Itasca, Illinois USA.

Note: Examination scheme and mode shall be as prescribed by the Examination Branch University of Delhi, from time to time.