

BA(VS) INSURANCE MANAGEMENT

SEMESTER-III

DISCIPLINE SPECIFIC CORE COURSE – 3.1 (DSC-3.1) Insurance Law & Regulation

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course Title & Code	Total Credits	Lectures	Tutorial	Practical	Eligibility criteria	Pre-requisite of the course
Insurance Law & Regulation DSC – 3.1	4	3	1	0	Class XII	Nil

Learning Objectives:

The course aims to familiarize the students with the main laws governing the insurance sector in India. The course also provides basic understanding of other laws associated with insurance such as prevention of money laundering activities.

Learning Outcomes:

After completion of the course, learners will be able to:

1. describe the salient features of the Insurance Act, 1938
2. explain the role of IRDAI as per the IRD Act, 1999
3. demonstrate knowledge of various regulations for the valuation of assets and liabilities of insurers.
4. determine the solvency margins of insurers (Life & non-life).
5. appraise the rights of policy holders and insurers with the help of important judgements covered under various Insurance Regulatory enactments and appraise the effectiveness of the regulatory enactments.
6. identify the important provisions of the Prevention of Money Laundering Act, 2002 (PMLA) and critique the role of insurance companies in preventing money laundering activities.

Unit 1: Insurance Act, 1938

(11 Hours)

Provisions applicable to insurers, investment, loans and management, assignment or transfer of policies and nominations, commission and appointment of agents, special provisions of law and miscellaneous; relevant case law:

1. Reliance Life Insurance Co. Ltd. vs Rekhaben Nareshbhai Rathod on 24 April, 2019.
2. Life Insurance Corporation of India v. Escorts Ltd.& Ors (1986) AIR1370
3. Life Insurance Corporation of India vs United Bank of India Ltd. and Anr on 13 March, 1970. AIR 1970 Cal 513, 1971 41 Comp Cas 603 Cal.
4. Insure Policy Plus Services vs The Life Insurance Corporation of India on 22 March, 2007.

Unit 2: Insurance Regulatory and Development Authority Act, 1999 (13 Hours)

Establishment and incorporation of the Authority. Duties, power and functions of the Authority. Powers of Central Government to supersede Authority; Protection of Policy holders Regulations 2002; IRDA Ombudsman Regulation 2017; IRDA (Insurance Advertisements and Disclosure) Regulations, 2021; relevant case law:

1. Meenakshi Popat Kumbhoje & Ors. vs Life Insurance Corporation Of on 11 March, 2015.
2. V.B. Cold Storage Private Limited vs Bajaj Allianz General Insurance on 24 September, 2021
3. United India Insurance Co. Ltd. vs Abada Khatun and Ors. on 11 February, 1998.

Unit 3: IRDA (Assets, Liabilities, and Solvency Margin of Insurers) Regulations, 2000 (11 Hours)

Valuation of assets, valuation of liabilities: life insurance. Valuation of liabilities: general insurance; Determination of solvency margins: life insurers; Determination of solvency margin: general insurers; relevant case law:

1. Insurance Regulatory and Development Authority of India (IRDAI) Order (IRDA/F&A/ORD/SOLP/200/11/2019; Section 64VA (5) on Reliance Health Insurance Co Ltd.

Unit 4: The Prevention of Money Laundering Act, 2002 (PMLA) (10 Hours)

Objectives, Salient provisions, role of insurance companies and implementation, international provisions related to money laundering (FATCA compliance)

Practical Exercises:

The learners are required to:

1. form groups providing consultation to dummy clients who wish to start a life insurance business in India regarding registration of any type of insurance as per Indian laws (Unit1).
2. make a group project by gathering information about the cases where power and function of IRDAI have been applied (Unit2).
3. make a project analysing the trends in assets and liabilities of any insurer operating in India (Unit3).
4. compute and appraise the solvency margin of any insurer operating in India (Unit3).
5. form small groups and gather data from insurers (based on case law/disputed claims along with reasons) on problems in implementing the regulatory provisions (Unit3)
6. engage in a classroom discussion about the anti-money laundering practices of different insurers operating in India (Unit4).
7. engage in classroom discussion on limitations placed by IRDAI on management of expenses of insurers (Unit4)

Suggested Readings:

- Malik (2018). *Handbook of Insurance Laws-with Insurance Act 1938*. Delhi Law House
- Murthy, H. S.N. & Sarma, K.V.S. (2019). *Modern Law of Insurance in India*, Universal Book Traders, Delhi.
- Lexis, N. (2022). *The Insurance Act, 1938- Bare Act with Short Notes*. Universal's.

- Insurance Regulatory and Development Authority (Assets, Liabilities, and Solvency Margin of Insurers) Regulations (2000). Retrieved from <https://irdai.gov.in/hi/document-detail?documentId=398837>
- Insurance regulatory and development authority of India act (1999). Duties, powers and functions of authority § 14, 18, 19 (1999). Retrieved from https://www.indiacode.nic.in/bitstream/123456789/1893/1/A1999_41.pdf
- Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations (2000). Retrieved from https://www.indiacode.nic.in/bitstream/123456789/1893/1/A1999_41.pdf
- Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations (2002). Retrieved from <https://irdai.gov.in/document-detail?documentId=398265>
- The Prevention of Money-Laundering Act (2002). Retrieved from <https://www.indiacode.nic.in/bitstream/123456789/2036/1/A2003-15.pdf>

Cases

1. Reliance Life Insurance Co. Ltd. vs Rekhaben Nareshbhai Rathod on 24 April, 2019. Retrieved from <https://indiankanoon.org/doc/110953063/>
2. Life Insurance Corporation of India vs Escorts Ltd. & Ors 1986 AIR1370
3. Life Insurance Corporation Of vs United Bank Of India-Ltd. And Anr on 13 March, 1970. AIR 1970 Cal 513, 1971 41 Comp Cas 603 Cal. Retrieved from <https://indiankanoon.org/doc/34755/>
4. Insure Policy Plus Services vs The Life Insurance Corporation Of on 22 March, 2007. Retrieved from <https://indiankanoon.org/doc/1351197/>
5. United India Insurance Co. Ltd. vs Abada Khatun And Ors. on 11 February, 1998. Retrieved from <https://indiankanoon.org/doc/1533963/?type=print>
6. Meenakshi Popat Kumbhoje & Ors. vs Life Insurance Corporation Of on 11 March, 2015. Retrieved from <https://indiankanoon.org/doc/149277303/>
7. V.B. Cold Storage Private Limited vs Bajaj Allianz General Insurance on 24 September, 2021. Retrieved from <https://indiankanoon.org/doc/142520666/>

Notes:

1. Suggested readings & case laws shall be updated and uploaded on the college website from time to time.
2. Examination scheme and mode shall be as prescribed by the Examination branch, University of Delhi from time to time.

DISCIPLINE SPECIFIC CORE COURSE – 3.2 (DSC-3.2)
Services Marketing

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course Title & Code	Total Credits	Lectures	Tutorial	Practical	Eligibility criteria	Pre-requisite of the course
Services Marketing DSC – 3.2	4	3	1	0	Class XII	Nil

Learning Objectives:

The course aims to familiarize students with the fundamental concepts and principles of marketing. It will equip students with an understanding of recent trends in marketing and examine the emergent issues arising from them. The course will introduce the student to the marketing of services in general and marketing of insurance in particular.

Learning Outcomes:

After completion of the course, learners will be able to:

1. describe the traditional and modern concepts of marketing.
2. demonstrate the concept of market segmentation.
3. appraise the spread of digital, social and green marketing in India
4. differentiate between the marketing mix for products and services.
5. select the models applicable in insurance marketing

Unit 1: Introduction to Marketing (10 Hours)

Marketing: Nature, importance, scope; Evolution (Production concept, Product concept, Selling, Marketing) of Marketing, Marketing mix, Holistic marketing.

Emerging concepts: Digital Marketing, Social Marketing and Green Marketing, Network marketing.

Contemporary Issues in Marketing: Social, ethical and legal aspects of marketing.

Unit 2: Marketing Environment & Segmentation (10 Hours)

Macro environment: Demographic, Economic, Political, Legal, Socio cultural, Technological environment (global & Indian context), Michael Porter's Model of Competitive analysis, BCG Matrix.

Market Segmentation, Targeting and Positioning: Concept, Levels of Market Segmentation, Basis for Segmenting Consumer Markets, Targeting and Positioning concepts.

Unit 3: Services Marketing (15 Hours)

Marketing of services: concept, characteristics, Marketing mix (7Ps)

Product decisions: Product Classification, Concept of Product Life Cycle (PLC) and strategies.

Pricing Decisions: Determinants of Price, Pricing strategies.

Place: Types of distribution channels, factors affecting choice of a distribution channel.

Promotion– Importance, tools of promotion mix (traditional & modern)

People – concept & importance

Process - concept & importance
Physical evidence - concept & importance

Unit 4: Insurance marketing

(10 Hours)

Nature and scope of Insurance Marketing; Bancassurance distribution model (benefits and types), Importance of promotion in Insurance marketing, Role and benefits of relationship marketing in insurance;

Application of three-stage model of service consumption in insurance, Factors determining service quality of an insurance company (Servqual Model)

Practical Exercises:

The learners are required to:

1. make a group presentation on Indian products/services that are marketed through emerging concepts like digital, social, or green marketing tools. (Unit 1)
2. engage in a group project to study the basis of market segmentation and targeting strategy followed for different types of insurance products (Unit 2)
3. prepare group presentations to showcase the product life cycle of some extinguished goods/services. (Unit 3)
4. collect data to present the marketing mix (7Ps) of various service firms, particularly insurance companies. (Unit 3)
5. form small groups and critically examine the marketing techniques used by insurance companies in India in the light of the different marketing models. (Unit 4)

Suggested Readings:

- Apte, G., (2004). *Services Marketing*. Oxford University Press.
- Govindarajan, M., (2020). *Marketing Management*, New Delhi: PHL Learning Pvt. Ltd.
- Kotler, P., (2021). *Marketing Management*, New Jersey: Englewood Cliffs, Prentice Hall Inc.
- Kotler, P., Armstrong, G., Agnihotri, P. Y., & Ul Haq, E. (2017). *Principles of Marketing: A South Asian Perspective* (13th edn) Pearson.
- Kotler Philip, Keller Kevin Lane, Chernev Alexander, Sheth N. Jagdish, & Shainesh G., (2022). *Marketing Management*, (16th Edition) Pearson.
- Pride W. M., & Ferrell O.C. (2019). *Marketing: Planning, Implementation and Control*, New Delhi: Cengage Learning India Ltd.
- Ramaswamy, V.S. & Namakumari, S. (2018). *Marketing Management: Global Perspective-Indian Context* Macmillan Publishers India Limited.
- Sharma, S. (2014). *Insurance Marketing*, Random publications.
- Wirtz, J., Lovelock, C., & Chatterjee, J. (2017). *Services Marketing: People, Technology, Strategy*. Pearson Education
- Zeithaml, V., Bitner, M. J., & Gremler, D. (2018). *Services Marketing: Integrating customer focus across the firm*. McGraw Hill.

Notes:

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DISCIPLINE SPECIFIC CORE COURSE – 3.3 (DSC-3.3)

Indian Economic Environment

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course Title & Code	Total Credits	Lectures	Tutorial	Practical	Eligibility criteria	Pre-requisite of the course
Indian Economic Environment DSC – 3.3	4	3	1	0	Class XII	Nil

Learning Objectives:

The course aims to familiarise students with the basic framework of India's economy and the recent developments. It provides understanding about the economic crisis of 1991 and the subsequent reforms that followed. It explains the role of foreign trade, Foreign Direct Investment (FDI) and foreign capital in economic development.

Learning Outcomes:

After completion of the course, learners will be able to:

1. explain the evolution of India's industrial growth experience and describe the relationship between economic growth and development, the idea of sustainability, circular economy and Sustainable Development Goals (SDGs).
2. examine the impact of policy changes in both the agriculture and the industry sector.
3. appraise the economic and social outcomes of policy initiatives in the services sector.
4. critique the role of foreign trade and foreign capital in India's development process.

Unit 1: Indian Economy: An Overview

(12 Hours)

A brief introduction to the current structure of the Indian economy: Evolution of Indian economic environment, import substitution to globalisation, the impact of the Covid-19 pandemic on the Indian economy;

Redefining development: changing ideas on growth and development, the idea of human development, the Human Development Index (HDI), the Gender Inequality Index (GII), the Gender Development Index (GDI), understanding the concepts and India's performance on these indicators; The idea of circular economy and Sustainable Development Goals (SDGs) 2030.

Unit 2: Transforming Agriculture - Current Trends and New Areas of Growth (11 Hours)

Role and importance of agriculture: data on poverty, inequality and growth without employment, the high proportion of population engaged in agriculture and the low agricultural productivity- broad trends and the instability in output, concerns of food security and nutritional outcomes, commitments to SDGs.

Issues in agriculture: rural credit and institutional finance, transportation and infrastructure, agricultural marketing, availability of agricultural inputs, technology and water management, soil degradation, rural entrepreneurship, crop insurance, contract farming, etc.

The need for a transformative vision in agriculture: new emerging areas and their impact on ecological management- including sustainable agriculture, alternative farming and organic farming, horticulture and floriculture, Multi-layer farming etc.

Unit 3: Industrial Performance - An Appraisal (11 Hours)

Industrial development: post 1991 trends and growth, the new economic policy, public sector reforms and privatisation, the slow growth of the manufacturing sector and the issue of the 'missing middle', the challenges of finance, regulations and labour laws, the role of Micro, Small and Medium Enterprises (MSMEs) and the challenges faced by them.

Unit 4: Foreign Trade, Foreign Capital, Multi-National Corporations (MNCs) and the Services Sector (11 Hours)

Foreign trade and trade policy: post 2000 trends in trade, the concept of global value chains, importance of trading blocks and trade agreements, India's experience, growth and contribution of foreign capital and MNCs.

Growth of the services sector in India: recent trends, growth in the information and communication technology (ICT) & IT enabled services (ITES) sectors, education, health, banking and insurance, etc., impact of digitization and servicification.

Practical Exercises:

The learners are required to:

1. discuss main economic challenges faced in India (Unit1)
2. make a presentation on circular economy and the progress made towards the achievement of the 17 SDGs. (Unit 1)
3. form groups to make case studies on different aspects of India's economic performance (education, migration, employment, industrial production, exports, digital economy, e- commerce, etc.) during Covid-19. (Unit1)
4. make a group presentation on the pros and cons of the recent farm laws. (Unit 2)
5. design a questionnaire about the issues confronting small and medium enterprises for primary data collection from an industry in the vicinity and present analyses in the class. (Unit 3)
6. engage in a group project on different types of services (food delivery provided by restaurant chains/local neighbourhood eateries/home cooked tiffins, streetside fast food, etc. Other service providers such as pest control services, cleaning services, home health aide workers, parlours, gyms, cyber cafes, etc. operating in and around the student's neighbourhood. (Unit 4).

Suggested Readings:

- Chand, R. (2022). *Indian agriculture Towards 2030- Need for a transformative Vision* in Chand. R. et al. (Ed.). *Indian Agriculture towards 2030*, India studies in Business and Economics, New Delhi: Springer.
- Dreze, J. & Sen, A. (2013). *India: An uncertain glory – India and its contradictions*, New Jersey: Princeton University Press. Chapter 2.
- Global value Chains (GVCs): India, OECD. <https://www.oecd.org/sti/ind/gvcs%20-%20india.pdf>

- Gulati, A. & Juneja, R., (2022). Transforming Indian Agriculture. Chand, R. Ed. *Indian Agriculture towards 2030*. India studies in Business and Economics, New Delhi: Springer.
- Joshi, V. (2017) *India's long road- the search for prosperity*. Allen Lane: Penguin Random House, Chapter 2.
- Kapila, U. (2022-23), (Ed.) *Indian economy since independence* (33th ed.), New Delhi: Academic foundation.
- Kapila, U. (2022). *Indian Economy: Performance and policies* (22nd ed.). New Delhi: Academic Foundation.
- Lerwen, L. & Ramakrishna, S. (2021). *An introduction to Circular Economy*, Singapore: Springer.
- Puri, V.K., Misra, S.K., & Garg, B. (2022). *Indian Economy* (40th ed.). New Delhi: Himalaya Publishing House.
- Walter, R. (2019). *The Circular Economy: A User's Guide*, New York: Routeledge.

Additional Readings:

- Chatterjee, S. & Subramaniam, A. (2020). India's inward Re (turn) Is it warranted? Will it work? *Ashoka Centre for Economic Policy paper no 1*. October. https://ashoka.edu.in/static/doc_uploads/file_1602585593.pdf
- Eichengreen, B. & Gupta, P. (2012) Exports of Services: Indian Experience in Perspective. *National Institute of Public Finance and Policy*. Working Papers, 12/102.
- Marcello, T. & Cristoni, N. (2018). *Strategic Management & the Circular Economy*, New York: Routeledge.
- Subramaniam, A. & Felman, J. (2021). India's stalled rise - How the State Has Stifled Growth, *Foreign Affairs*. Watson Institute for International and Public Affairs and Brown University.

Notes:

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- 2. Examination scheme and mode shall be as prescribed by the Examination branch, University of Delhi from time to time.**