

B.A. (VS) Insurance Management
Semester IV
DISCIPLINE SPECIFIC CORE COURSE (DSC-4.1)

Principles of Life Insurance

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

| Course Title & Code | Total Credits | Lectures | Tutorial | Practical | Eligibility criteria | Pre-requisite of the course |
|---|----------------------|-----------------|-----------------|------------------|--------------------------------------|------------------------------------|
| Principles of Life Insurance DSC – 4.1 | 4 | 3 | 1 | - | Pass in class 12th | - |

Learning Objectives: The course aims to familiarize the students with the concept of life insurance, its principles, types of life insurance contracts, conventional and new age policies, annuities and special need policies.

Learning Outcomes:

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

1. explain the need and concept of life insurance.
2. describe the major reforms and growth of the Indian life insurance sector
3. compare the implications of the different terms used & explain why life insurance is not a contract of indemnity.
4. appraise the different types of life insurance and annuity contracts.
5. critique and suggest a suitable life insurance policy after assessment of the prospect's need and amount of life insurance required.

Unit 1: Life Insurance

11 hours

Concept, purpose, and scope; Major Reforms in Indian Insurance sector; Financial needs and role of life insurance in financial planning; Human life value approach; Evaluating life insurance needs: different methods, Stages in human life in relation to the amount of insurance required; Re-evaluating need for life insurance; Rider benefits.

Unit 2: Policy Form

12 hours

Life insurance contract: definition, and special features; Types of the life insurance contract; Tax benefits; Parties to a life insurance contract;

Contents of a typical life insurance policy, Conditions and privileges: free look period, payment of premium, grace days, loading charges, auto cover, forfeiture, proof of age, suicide, revival of lapsed policy, non-forfeiture regulations, indisputable policy, assignment and trade in policies, nomination, travel, residence and occupation, and other restrictive conditions; Policy as property: attachable or not.

Unit 3: Conventional and new age policies**11 hours**

Types of Life insurance plans, Term Vs Traditional Plan, Whole life plan, Endowment plan, and Money back plan; the concept of Joint life policy and Partnership plan; Special policies for Women and Children, Retirement plans; Single versus regular premium policies.

Unit 4: ULIPs and special policies**11 hours**

Unit linked insurance policies: concept, features, merits, demerits; Types (purpose and death benefit); riders/add on to a policy: requirement for, suitable riders; Different types of ULIP charges, ULIP vs Traditional plan; Variable life policies: concept, pros, and cons; Special Policies: children, women, differently abled persons, etc.

Exercises:**The learners are required to:**

- engage in a group project that gathers primary data from policy buyers regarding
 - their reason for buying a life insurance policy (Unit1) and
 - the type of policy purchased (Unit 3)
- make a group and study the trends in growth of life insurance (public & private companies) and reasons for growth from the annual reports issued by IRDAI. (Unit1)
Link for data:
<https://irdai.gov.in/annual-reports>
- participate in a classroom discussion comparing direct (online) buying with fee-based (advice) buying through a registered investment advisor (RIA) (Unit3)
- gather primary data from relatives and neighbours about the understanding of policyholders regarding loading charges, grace days, forfeiture clause, and special policies. (Unit2 &4)
- make a presentation on the merits and demerits of a comprehensive plan vis-a-vis exclusive rider(s) attached to a no-frills policy. (Unit4)
- compare and contrast the life insurance policies offered by different companies (Unit 4)

Readings

- Black, K. Jr. & Skipper, H. D., & Black, K. (2013). *Life Insurance*, CBS publication.
- Heo, W. (2020). *The demand for life insurance*. Springer.
- Mishra, K. (2016). *Fundamentals of Life Insurance Theories and Applications*. PHI Learning Pvt. Ltd.
- Mishra, K.C. & Kumar, C. S. (2009). *Life Insurance- Principles and Practice*, Cenage Learning India Pvt. Ltd.
- Murthy, H. S. N. & Sarma. K.V.S. (2019). *Modern Law of Insurance in India*. Delhi: Universal Book Traders.
- Sadhak. H. (2009). *Life Insurance in India*, New Delhi: Response Books.
- Shashidharan K. (2008). *Managing Life Insurance*, Prentice- Hall of India Pvt. Ltd.
- Sethi, J., & Bhatia, N. (2023). *Elements of Banking and Insurance*. PHI Learning Pvt. Ltd.

Additional Readings:

Publications of Insurance Institute of India, Mumbai

1. IC-02 Practice of Life Insurance
2. IC- 23- Application of Life Insurance
3. IC- 24- Legal Aspects of Life Insurance
4. IC- 33- Life Insurance

Notes:

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

B.A. (VS) Insurance Management
Semester IV
DISCIPLINE SPECIFIC CORE COURSE (DSC 4.2)

Indian Financial System

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 Financial System DSC – 4.2 | 4 | 3 | 1 | - | Pass in class 12th | - |

Objective: The course aims to provide a conceptual understanding of the overall Indian financial system. It also familiarises the student about the role, types and important functions of the different constituent parts.

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

1. explain the structure of the Indian financial system and differentiate its components.
2. discuss the linkage between the financial system and economic development.
3. describe and differentiate the functioning of the money and capital markets and the roles of the respective regulators.
4. appraise the recent developments in the banking sector.
5. critique the recent reforms in the Indian financial system.
6. examine the concept of financial stability with respect to the Indian and global financial systems.

Unit 1: Introduction

9 hours

Functions of the financial system, structure: markets, institutions, instruments, services; Role of financial intermediaries and regulators; inter-linkage between the financial system and economic development; Overview of the evolution of the Indian financial system.

Unit 2: Money and Capital Markets

13 hours

Money market: functions, participants; money market instruments; role of the central bank (Reserve Bank of India) in the Indian money market.

Capital Market (primary and secondary): functions, participants (including the role of stock exchanges in India (NSE, BSE, MSCI), depositories (NSDL, CDSL), roles of merchant banking and credit rating; instruments (shares, debentures, bonds, GDRs, ADRs); listing of securities and stock indices; role of SEBI and investor protection.

Unit 3: Commercial banking, MFs and NBFCs and Pension funds

13 hours

Commercial Banking: classification, functions, nonperforming assets (causes & resolution); recent developments in banking including adoption of technology, financial inclusion, and Mudra financing;

Mutual Funds: structure, types of mutual fund schemes (open ended vs close ended, equity, debt, hybrid schemes and Exchange Traded Funds (ETFs) gold, passive funds, liquid, etc.); factors affecting choice of mutual funds; role in financial system;

Non-banking Financial Companies (NBFCs) & Pension funds: role, function, and types.

Unit 4: Reforms and financial stability

10 hours

Reforms in the Indian financial system: need, reforms since 1990s, impact, future challenges; Financial stability: need; global financial crisis (2008), roles of the Basel Committee on Banking Supervision, Bank of International Settlement, and Financial Stability Board; Challenges to financial stability.

Practical Exercises:

The learners are required to:

1. make a flowchart of the Indian financial system with names of markets, institutions, instruments and services (Unit1)
2. compare the indicators of economic development and the financial systems in India and other countries (Unit1)
3. make a presentation in class highlighting the roles of the regulators based on information displayed on the RBI and SEBI websites (Unit 2)
4. make a group presentation on investor protection based on the recent notifications by SEBI (Unit2)
5. engage in a group project by gathering primary data on financial inclusion, mudra scheme, and the growth of digital banking/wallet/ UPI. (Unit3)
6. make a group project covering the activities of any one NBFC of your choice (Unit3)
7. engage in a classroom discussion on the reforms implemented in the Indian financial system since 2001 (Unit4)
8. make a group presentation on the financial crises caused by Lehman Bros or Yes bank or SVB or any other case of financial bankruptcy (Unit4)

Suggested Readings:

- Acharya, V. V., (2020). *Quest for restoring financial stability in India*. Sage Publications India Pvt. Ltd.
- Bhole, L. M. & Mahakud, J. (2020). *Financial Markets and Institutions*. Tata McGraw Hill Publishing Company.
- Khan, M.Y. (2019). *Indian Financial System* Tata McGraw Hill; 11th edition.
- Saha, S. S. (2020). *Indian Financial System: Financial Markets, Institutions and Services*, Tata McGraw Hill Publishing Company.
- Mishkin, S. F. & Eakins S. G. (2017). *Financial Markets and Institutions*, Pearson Education, New Delhi; 7th edition.
- Pathak, B. V. (2018). *Indian Financial System: Markets, Institutions and Services*, Pearson Education, New Delhi; 5th edition.
- Saunders, A., Cornett, M. & Jain A. (2020). *Financial Markets and Institutions*, Tata McGraw Hill.
- Tomar, A., Agnihotri, S. (2022). *Project Finance*, A K Publications New Delhi.

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B.A. (VS) Insurance Management
Semester IV
DISCIPLINE SPECIFIC CORE COURSE (DSC- 4.3)
Workers, Markets, And the Future of Work

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE, REQUISITES OF THE COURSE

| Course Title & Code | Total Credits | Lectur es | Tutorial | Practical | Eligibility criteria | Pre-requisite of the course |
|--|----------------------|------------------|-----------------|------------------|--------------------------------------|------------------------------------|
| Workers, Markets and the future of Work (DSC – 4.3) | 4 | 3 | 1 | - | Pass in class 12th | - |

Learning Objectives: The course aims to familiarize students with the concepts of workers demand, supply and the determination of market wage. It provides basic understanding of the recent developments in markets for workers in India. It discusses the role of international agencies in safe guarding workers interests and defining decent work.

Learning Outcomes:

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

1. explain the idea of the labour market and its working, the determination of equilibrium wage and the reasons why people choose to work or withdraw from the market.
2. compare the characteristics of various segments of labour markets in India and examine various trends related to wages and employment.
3. explain the concept of global value chains and Special economic Zones (SEZs) and examine their impact on workers, labour markets and the future of work.
4. appraise the role of International agencies in promoting decent work agenda and maintaining labour standards.

Unit 1: Economics of Labour Market and Wage Determination

11 hours

Supply of individual Worker and Workforce: Workers’ preferences and Budget constraints, changes in budget constraints due to changes in non-labour income or wages; the labour supply curve of an individual worker and the Supply curve of workers in an Economy.

Policy applications: Welfare programs and work incentives; Labour supply over the life cycle; the decline in work attachment among older workers.

Demand for Workers: Production function of a firm, profit maximization, short- run and long- run decision making of the firm; Overview of labour Market equilibrium.

Policy application: New Labour Codes and the employment effects of minimum wages.

Unit 2: Labour Markets at Work in India

12 hours

Employment and Unemployment: Concepts of labour-force, workforce, participation rate, universal basic income and other concepts related to unemployment, measurement and trends in employment and wages, phenomena of jobless growth and unemployment in India, changing dynamics of occupational structure.

Facets of Informalisation and Segmentation of Labour Markets in India: Trends and characteristics of informalisation and contractualization, nature of rural labour markets, the growth of non-farm sector and impact of MGNREGA, internal migration in India, gig employment and its impact on platform workers.

Women in the workforce: feminization and low participation.

Unit 3: Offshoring, Outsourcing and Global Value Chains (GVCs)

11hours

Workers in GVC - India and other Developing Countries, impact on employment in India, Labour Standards in India- Case study, Special Economic Zones in India.

Future of work, Artificial Intelligence and Future of Labour: Disruptive technology and adjustment in Workers markets

Unit 4: International agencies and Labour Standards hours

11

Role and Structure of ILO, ILO Conventions and Recommendations, Decent work and ILO programmes in India, World Trade Organization and workers.

Practical Exercises: The learners are required to:

1. discuss and practice numerical and graphical exercises based on application of demand and supply of labour and changes in equilibrium wage (Unit1)
2. identify and collect information from Internet on various case studies of employment types and engage in group discussions (Unit2)
3. design a questionnaire for primary data collection from the neighbourhood labour markets, collect data and make a group project based on the analyses of the data collected. (Unit2)
4. locate and discuss in class case studies of gig workers such as delivery workers form Zomato, Big Basket, Amazon and other such platforms. (Unit 3)
5. make a group presentation on implementation of ILO activities and programmes in India (Unit4)

Suggested Readings

- *Application of International Labour Standards in times of crisis: the importance of international labour standards and effective and authoritative supervision in the context of the COVID-19 pandemic*, Extracts of the General Report, ILO, 2020. (unit 4)
- Banga, K. (2016). Impact of global Value Chains on Employment in India, *Journal of economic Integration*. (unit 3b)
- Basu, A. K. & Chau, N. H. (2022). Offshoring and labour markets in developing countries. IZA, *World of Labour*. (Unit 3a)

- Borjas, G. J. (2016). *Labour Economics*, New York:McGraw-Hill. (Unit 1)
- Chaudhary, R. & Mitra, S. (2019). Labour Practices in the Emerging Gig Economy in India: A case Study of Urban Clap, Formalisation, Informalisation and the Labour Process Workshop. *CeMIS*, Goettingen. <https://wwage.org>. (unit 2.2e)
- Ghosh, A. K. (2016). *India Employment Report, 2016- Challenges and the Imperative of Manufacturing- Led growth*, New Delhi: Institute of Human Development and OUP. (Executive summary) (unit 2.1a)
- Giri, A. K. & Singh, S.P. (2016). Labour Standards in Global Value Chains in India: the case of hand-knotted carpet manufacturing cluster. *Asian Journal of Business Ethics*. (unit 3c)
- Hollweg, C. H. (2019). Global value chains and employment in developing economies. *Technological Innovation, Supply Chain Trade, and Workers in a Globalized World, Global Value Chain Development Report*, World Bank Group, ch. 3. (unit 3b)
- *India: Decent Work Country Programme for 2018-2022*, ILO, November 2018.
- Jha, P. (2016). *Labour in Contemporary India.*, Short Introduction Series, Oxford India. (unit 2.2a)
- Kapila, U. (2022-23). *Indian Economy: Performance and Policies*, New Delhi: Academic Foundation. (unit 2 & 4).
- Kapila, U. (2022). *Indian Economy since Independence*, New Delhi: Academic Foundation. (unit 2 & 4)
- Koti, J. & Janaki, D. (2016). ILO, WTO & Indian Industrial Relations. *IJIR*. (unit 4)
- Kumar, S. R. (2008). SEZs in India: Concepts, objectives and strategies. paper presented in *National Seminar on Special Economic Zones*. (unit 3d)
- Mondal, B., Ghosh J., Chakraborty S. & Mitra S. (2018). *Women Workers in India: Labour Force Trends, Occupational Diversification and Wage Gaps*. *State of Working India*, Centre for Sustainable Employment. (Unit 2.2f)
- *Overview of Internal Migration in India*, UNICEF report, <https://www.shram.org>. 2012. (unit 2.2c)
- Saha, P. & Shervick (2016). State of Rural Labour Markets in India. ILO Asia- Pacific Working Paper Series, May. (unit 2.2b)
- Shervick. (2014). Women's Labour Force Participation in India: Why is it low?. <https://www.ilo.org>, ILO. (unit 2.2f)
- Shetty, G. (2022). *Growing Gig Economy in India: Is More the Merrier? EPW*, 57 (10), March 5. (unit 2.2e)
- Universal Basic Income: A Conversation With and Within the Mahatma, Economic Survey, 2016-17.

Additional Readings

- Banga, K. (2017). Impact of linking into global value chains on Indian employment. *CEP Working paper*.
- Calvão, F. & Thara, K. (2019). Working Futures: The ILO, Automation and Digital Work in India. *Brill*.
- Caro, L. P., O'Higgins, N. & Berg, J. (2021). Young People and the Gig Economy, <https://www.ilo.org>.
- Case, K. E. & Fair R. (2008). *Principles of Economics*, Prentice Hall, 9th edition.
- Chaudhary R. (2021). India's Emerging Gig economy: Shaping the Future of Work for Women. <https://repository.library.georgetown.edu>.

- Ghose, A. K. & Kumar, A. (2021). India's Deepening Employment Crisis in the Time of Rapid Economic Growth, *Institute of Human Development*. Working Paper.
- India's Booming Gig and Platform economy - Perspectives and Recommendations on the future of work, *Niti Aayog*. (2022). June.

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