

Semester, VII

DISCIPLINE SPECIFIC CORE COURSE (DSC- 7.1)

Practice of General Insurance

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course Title & Code	Total Credits	Lectures	Tutorial	Practical	Eligibility	Prerequisite of the course
Practice of General Insurance	4	3	1	0	AS per University Norms	None

Learning Objectives

The learning objectives of this course are to acquaint students with the knowledge of principles and structure of liability insurance. This course will provide understanding about various classes of engineering insurance and their relevance in industrial contexts and underwriting and legislative framework of engineering insurance. It will provide an insight into reinsurance management and reinsurance regulations in India and their practical applications. Also this course will provide understanding of general insurance accounts preparation and regulation of investment.

Learning Outcomes

After successful completing this course, the learners would be able to:

- Describe the scope and significance of liability insurance in various business contexts.
- Identify and explain key policy documents, forms, and legal concepts involved in liability underwriting.
- Analyse overseas practices and emerging trends in global liability insurance.
- Assess the risk characteristics of different types of plant, machinery, and construction activities.
- Evaluate various engineering insurance products such as Contractors All Risks (CAR), Boiler & Pressure Plant, and Electronic Equipment Insurance.
- Design reinsurance programs based on strategic retentions and risk-sharing models.
- Explore alternative risk transfer mechanisms and evaluate their relevance in modern risk management.
- Prepare and interpret financial statements specific to life and non-life insurance companies.

- analyse the impact of statutory requirements on insurance financial reporting.

Unit 1. Liability Insurance (10 Hours)

Introduction to liability insurance. Policy documents and forms. Legal background. Liability underwriting. Statutory liability. General public liability (industrial/non-industrial risks). Products liability insurance. Professional indemnity insurance. Commercial general liability. Directors and officers liability. Other policies & overseas practices. Liability insurance claims.

Unit 2. Engineering Insurance (11Hours)

The engineering insurance business, classes of business, principles and practices. Development of engineering insurance and relevant legislation. Types of plant/machinery and equipment and associated hazards. Construction phase insurances. The project stages, works contract & other contracts. Contractors all risks insurance. Machinery insurance. Boiler & pressure plant insurance. Machinery loss of profits insurance. Electronic equipment insurance.

Unit 3. Reinsurance Management. (12 Hours)

Forms of reinsurance. Methods of reinsurance. Retentions. Reinsurance program-design. Reinsurance - distributing the programme arrangements. Reinsurance accounting. Reinsurance markets. Reinsurance financial security. Alternatives to traditional reinsurance. Inward reinsurance business. Processing information for reinsurance decisions. Law and clauses relating to reinsurance contracts. Reinsurance regulations in India.

Unit 4. General insurance accounts preparation and regulation of investment (12Hours)

Financial accounting –meaning and scope. Accounting concepts, principles and convention. Accounting standards –As and Ind As- objectives and interpretation. Accounting policies. Accounting process, methods & control and finalisation of accounts. Bank reconciliation statement, introduction to company accounts (based on the companies act 2013). Non-life insurance business accounting methods, techniques & process. General insurance accounting process & techniques. Insurance accounting regulations. Preparation & presentation of financial statements. Reinsurance accounting.

Suggested Readings:

Barnett, S. (2022). *Life insurance accounting*. Legare Street Press.
<https://doi.org/10.1015667525>

Clarke, M. A. (2017). *The law of liability insurance*. Informa law from Routledge.

Rejda, G. E. (2005). *Principles of risk management and insurance*. Pearson Education India.

Ende, H., Anderson, E. R., & Crego, S. (2005). Liability insurance: a primer for college and university counsel. *JC & UL*, 23, 609.

William, O. D. (2021). *Reinsurance and the law of aggregation: Event, occurrence, cause* (p. 236). Taylor & Francis.