

List of GEs offered by Department of Insurance Management (CVS)
Semester V

GENERIC ELECTIVE COURSE (GE - 5.1)

Risk Management & Insurance

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 | | |
| Risk Management and Insurance (GE-5.1) | 4 | 3 | 1 | 0 | Pass in class 12th | Nil |

Learning Objective: The course aims to provide basic understanding of the concept & classification of risk. The student will understand the process of risk management in detail and how insurance acts as a risk management tool. It covers the special features of insurance, insurance contracts, and the critical role of law of large numbers. This will also act as a stepping-stone for pursuing a higher professional qualification in the fields of risk management and insurance.

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

1. understand the concept of risk and uncertainty and classify risks, level of risk, and explain the behavioural aspect of risk and economics of insurance.
2. explain insurable and non-insurable risks.
3. analyse the role of risk management and insurance in economic development and as a social security tool.
4. evaluate the managerial functions of risk management and its process and also the working of insurance
5. evaluate the insurance contract as a risk management tool

Unit 1: Risk and Uncertainty -11 Hours

Concepts, causes, degree, classification, and cost. Insurable risk. Risk and economic development. Psychology and attitude towards risk. Managing risk and uncertainty. Cash flow at risk, Value at risk.

Unit 2. Risk management & its managerial aspects: 12 Hours

Risk management-concept, evolution, purpose, scope, importance, and its future. Role of risk management in economic growth. Risk management function. Risk Manager. Managerial Aspects- goals, identification, evaluation, risk response, and plan administration, risk management in a global economy: future perspective

Unit 3. Role of Insurance in managing risk :12 Hours

Nature, importance, purpose, functions, classification, limitations and production process of insurance. Insurance and Risk, Insurance & Economic development, Insurance as a social security tool, Determinants of insurance market structure; Re-insurance: meaning, purpose, forms.

Unit 4. Insurance contract: An overview : 10 Hours

Nature & subject matter of insurance and insurance contracts; Salient Features - as per Contract Act, including special features, evidence and supporting documentation; Payment of premium; reinsurance policy; Insurance Repositories

Exercises:

The learners are required to:

1. Organise group discussions in class on risk management techniques (Unit1).
2. Conduct a small survey (physical or online mode) about the popularity and awareness of insurance products as a means of managing risk (Unit3).
3. Evaluate through group discussions the different types of insurance contracts through case studies (Unit4).

Suggested Readings:

- Arunajatesan S. & T. R. Viswanathan. (2009). *Risk Management and Insurance*. Macmillan Publishers Ltd.
- Dorfman S. Mark (2012, 1987). *Introduction to Risk Management and Insurance*. Eighth Ed, Prentice-Hall.
- Hampton John J. (1993). *Essentials of Risk Management and Insurance*. American Management Association (Amacom).
- Holyoake Julia & Weipers Bill Insurance, (2002). Institute of Financial Services, U. K. (AITBS Publishers & Distributors (Regd.), Delhi-51.
- Patukale Kshitiz (2009). *Insurance for Everyone*. Macmillan India Ltd. Teaching Learning Process, Assessment Methods and Teaching
- Rejda, G. E. & McNamara M. (2017). *Principles of Risk Management and Insurance*, Pearson Education.
- Skipper D. Harold & Kwon W. Jean (2008). *Risk Management & Insurance*. Blackwell Publishing, Wiley India
- Vaughan E.T. & T. Vaughan (2015). *Fundamentals of Risk Management and Insurance*