



KARPAGAM ACADEMY OF HIGHER EDUCATION
(Established Under section 3 of the UGC Act, 1956)
Pollachi Main Road, Eachanari (Post),
Coimbatore – 641 021.

DEPARTMENT OF COMMERCE
List of Practical

SUBJECT CODE: 18CBPU 311B

SUBJECT NAME: BUSINESS PROCESS SERVICES IN INSURANCE

1. Collect the format of proposal of different kinds of insurance (life and General Insurance) and learn the process of filling them
2. Familiarise with IRDA norms for agency licence
3. Visit any insurance office and collect the details of organisational structure
4. Life insurance Companies and identifying their features –Comparative analysis(between any two insurance Company)
5. Understand the implication of bancassurance in supporting insurance Industry
6. Understand the implication of micro insurance, group insurance and crop insurance and it's impact on the economy
7. Premium calculation procedure
8. Analyse the real time cases on procedure to avail motor insurance, marine insurance, property insurance and fire insurance
9. Procedure for insurance claims (life and general insurance separately)
10. Understand healthcare regulations and standards: HIPAA

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Coimbatore – 641021.



18 BPU 311B- BUSINESS PROCESS SERVICES IN INSURANCE-PRACTICAL –PROGRAMMES

SEMESTER – III

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Exercise: no. 1

Collect the format of proposal form of differs kinds of insurance (Life and General Insurance) and learn the process of filling them

AIM

To know the proposal form of Life Insurance and fill them .

PROCEDURE

Step 1: Fill up personal details of life to be insurer and proposer .

Step 2: Fill up the detail of employment .

Step 3: Fill up the particulars of plan .

Step 4: Fund details for ULIP.

Step 5: Fill up the mode of payment and bank details .

Step 6: Fill up the nominee details .

Step 7: Fill up health and medical history details .

Step 8: Signature.

Step 9: Auto debt instructions

RESULT

Life insurance proposal form is completely filled up

EXERCISE: NO. 1 (B)

AIM

To know the proposal form of General insurance and fill them .

PROCEDURE

Step 1: Fill up the proposal details.

Step 2: Fill up the details of assets proposed for insurance.

Step 3: Fill up the hypothetication details .

Step 4: Details of manufacturer warranty .

Step 5: Payment details .

Step 6: Signature.

RESULT

General insurance proposal form is completely filled up

Exercise. No: 2

Familiarise with IRDA norms for agency license

AIM

To understand the IRDA norms for agency licenses.

PROCEDURE

Step 1: Fill the form I-A for appointment to act as an insurance agent.

Step 2: Fill the form I-B for existing insurance agent with another insurer.

Step 3: Fill up address, education qualification, PAN card number.

Step 4: Fill the details of pass in pre- recruitment test conducted insurance institute of India, required knowledge and experience.

Step 5: The issues of disqualification are :

No individual share act as on insurance agent for more than life insurer , one general Insurer, one health insurer and one each of mono-line insurer

Any individual, who acts as an insurance agent in contravention of the provision of this act, shall be liable to a penalty which may extend to ten thousand rupees.

No person shall allow or of for to allow , either directly or indirectly or as an inducement, to any person to take out or renew or continue on insurance policy through multi-level marketing scheme.

Step 6: The things in the form is understood and filled up.

Step 7: Signature.

RESULT

The IRDA norms for agency license is understood and necessary form is filled.

Exercise no:3**Visit any insurance office and collect the details of it's Organisational structure****AIM:**

To understand the organisational structure of the company

PROCEDURE

Step 1. The following are the structure of head office - chairman, Board of directors, General manager and directors, Assistant General managers will be functioning under the control of head office.

Step 2. The zonal office - Secretary Audit, Chief accountants, Departmental Zonal managers, Regional managers Inspection will be functioning under the control of head office

Step 3. The Divisional office - Departmental Divisional managers, Deputy or assistant Managers, Administrative officers, Accountants will be functioning under the control of Zonal office

Step 4. The branch office - Department officers, Branch manager, Development centers will be functioning under divisional office

RESULT:

The organisational structure of life insurance company is understood

Exercise:4

life insurance office and identifying their features comparative analysis (between any two insurance company) .

AIM:

To compare feature of two life insurance company.

PROCEDURE:

- step 1. To know the date of establishment.
- step 2. To know the ownership of company .
- step 3. To know the no.of policy holders .
- step 4. To know the branches of companies .
- step 5. To know the employed of the companies.
- steps 6 .To know the market share of companies.
- steps 7 .To know the marketing of the companies .
- steps 8 .To know the advantage of company.
- steps 9 .To know the presence in foreign countries of the company

RESULT:

we have compared LIC and SBI .LIC is an old organisation ,it is a public sector company and its structure is big .SBI is a private sector and it is new company as it started in 2001 . the structure of SBI life is small but it get bank assurance and good marketing in it .

Exercise no: 5**Understanding the implication of bancassurance in supporting insurance industry.****AIM:**

To understand the implication of bancassurance.

PROCEDURE:

Step1: To know the meaning of bancassurance model.

Step2: To State the coverage of insurance industry's GDP in India.

Step3: To know the regulation support for bancassurance.

Step4: To know the IRDA modelling of bancassurance.

Step5: To know the need for bancassurance model.

Step6: To know the successful bancassurance product.

Step7: To know the innovation in bancassurance model.

Step8: To know challenges in bancassurance.

RESULT:

We have understood the concept of bancassurance & implication on insurance company

Exercise no :6

A) understand the implification of micro insurance .

AIM:

To understand the implification of micro insurance.

PROCEDURE:

Step 1.To know about the micro insurance .

Step 2. To know IRDA regulations in micro insurance .

Step 3. To know the general product of micro insurance .

Step 4. To know the life micro insurance products.

Step 5. To know the intermediaries of micro insurance .

RESULT:

We have understood the concept of micro-insurance .

B) understand the implication of group insurance .

AIM:

To understand the implication of group insurance.

PROCEDURE:

step 1.To know about group insurance.

Step 2. To know the covers of group insurance .

Step 3. To know the types of group insurance.

Step 4. To know the objectives of group insurance .

Step 5. To know the advantage of group insurance.

RESULT:

we have understood the concept of group insurance.

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C) Understand the implication of Crop insurance

AIM:

To understand the implication of Crop insurance

PROCEDURE:

Step 1: To know about crop insurance

Step 2: To know about PMFBY crop insurance

Step 3: To know the coverage of PMFBY

Step 4: To know it's objectives

Step 5: To know the Eligibility criteria

Step 6: To know about it's coverage of risks

Step 7: To know about general exclusion of PMFBY

RESULT:

We have understood the concept of Crop insurance.

Exercise no:7

Premium calculation procedure

Details of the car to be reinsured for the year 2019- 2020

Insured motor vehicle details :

Make ; Maruthi

Model and variant : ALTO LXI

Year of manufacture: 2006

Engine no and chassis no: 888888888

Cubic capacity: 796

RTO LOCATION : Bangalore

Insured declared value : (IDV)

Vehicle : Rs.64000

Electrical/Non electrical accessories: NIL

CNG/LPG: NIL

TOTAL IDV: Rs.64000

Own damage section: (OD):(A)

Basic Premium rate for OD : 1.446% (based on the details of the vehicle to be insured)

No claim bonus : 20% of basic premium

Liability section :(B)

Basic third party liability : Rs.2072

Compulsory PA cover premium for 1 year: Rs. 315

PA cover for 4 persons of Rs.1.00 lac each : Rs. 200

Legal liability to driver : Rs. 50

Total liability premium : Rs.2637

CGST @ 9%

SGST @ 9%

Calculate the premium to be paid by the insured for reinsuring the car.

AIM:

To calculate the premium for a car under motor insurance policy

PROCEDURE:

Step 1: To know about the details of the car to be insured like make, model and variant, year of manufacture, cubic capacity and location. Because the premium is calculated based on the above details

Step 2: To know about the insured declared value

Step 3: To know about basic premium rate

Step 4: To know about no claim bonus

Step 5: To know about third party liability premium

Step 6: To know about CGST and SCGST rates

Calculation of premium under 2 sections namely Own damage section and Liability section.

Calculation of premium ;

Own damage section(OD)		Liability section	
Vehicle	Rs.925	Basic third party liability :	Rs.2072
		Compulsory PA cover premium for 1 year:	Rs. 315
		PA cover for 4 persons of Rs.1.00 lac each :	Rs. 200
		Legal liability to driver :	Rs. 50
No claim bonus	Rs.185		
Net OD premium(A)	Rs.740	Net liability premium	Rs.2637

		(B	
		Total premium)(A+B)	Rs.3377
		CGST @ 9%	Rs.303.93
		SGST @ 9%	Rs.303.93
		Gross premium	3984.86
		Rounded to	Rs.3985

RESULT :

The premium for reinsuring the car was calculated and understood.

Exercise no. 8:

Analyse the real time cases on procedure to avail Motor insurance, Marine insurance, property insurance and fire insurance.

Motor insurance :

Mr. Vincent is proposing to renew the car policy with Reliance General Insurance Co., Ltd., for a further period of one year from 1.10.2019. The major details of vehicle are provided below:

Location: Coimbatore

Type of asset : Passenger vehicle

Make : FORD ICON

Manufacturer : M/S FORD

Date of manufacturing : 22.10.2016

Registering authority: RTO, COIMBATORE

CUBIC CAPACITY : 1200 cc

Loan of Rs.5.00 lacs from Canara Bank, Oppanakara Street, Coimbatore

Mr. Vincent had earlier insured the vehicle with New India Assurance Company , Coimbatore and there was no claim during last year.

The other details are provided in RC book and Aadhar card copy.

Prepare the insurance renewal proposal for availing insurance.

AIM:

To know the filling up of proposal form for motor insurance (Reliance)

PROCEDURE:

Step 1: Get the insurance proposal form for motor insurance

Step 2: Fill up the assets proposed for insurance

Step 3: Provide the details of hypothecation

Step 4: Provide the details of warranty of the manufacturer

Step 5: Provide the payment details for premium

Step 6: Attach the necessary documents

Step 7: Put the signature wherever required

RESULT:

The insurance proposal form for motor insurance was filled up.

Marine insurance :

M/S Esquire Food Exports Pvt., Ltd., Coimbatore is proposing to do cargo insurance with SBI General Insurance Company Ltd.,. The major details of for cargo insurance are provided below:

Financial Institution: Union Bank of India, R.S.Puram branch , Coimbatore

Nature of trade: Export of sea foods

No. Of years of experience in trade : 10 years

Policy details :

Open cover

All risk

Type of coverage- Export

Origin and destination: Tuticorin – Houston, USA

Basis of voyage: Indian port – Overseas port

Conveyance : RAIL/SEA

Cargo:

Forms : solid

Description : sea foods

Cargo carried: under deck

Nature of packing: in containers

Indemnity :

Sum insured : Rs.25 lakhs for specific

Basis of evaluation: Invoice

Intermediary stage : NIL

Claim experience :

2009 TO 2018, No claims

Prepare the Marine cargo insurance renewal proposal for availing insurance.

AIM:

To know and fill up the marine insurance proposal

PROCEDURE:

Step 1: To know and fill up details of proposer

Step 2: To know and fill up details of policy and coverage

Step 3: To know and fill up details of voyage

Step 4: To know and fill up conveyance and cargo details\

Step 5: To know and fill up packing details

Step 6: To know and fill up experience and other details

RESULT:

proposal form for motor insurance was filled up.

Property insurance

M/S Sundaram Traders is proposing to insure the stock of their business against burglary and house breaking.

The major details of for burglary and house breaking insurance are provided below:

Name and address: M/S Sundaram Traders,

Coimbatore

Nature of trade: Trading in textile chemicals

Address:

A. Godown

B. 15 years

C. Yes

Materials for construction

Roof: Concrete

Floor: Concrete

Walls; Concrete

What protection:

Wooden with key

Window: wooden

Exhaust fan

Fire extinguisher

A. Yes

B.No watchman

C.No

A. Yes

B.Enclosed

C.2

A. YES

B.NA

C. NA

A. NO

B. NA

C. NA

A. yes

B. United India Insurance Company

C. 1.10.2017 to 30.9.2018

A: NO

B. NO

C. NO

NO

YES

Chemicals

No

A. Stocks : Rs.25 lakhs

b. no

c. Rs.5.00 lacs

d. Rs.10000/=

Prepare the Burglary /house breaking insurance renewal proposal for availing insurance.

AIM:

To know how to fill up property(burglary and house braekign) insurance

PROCEDURE:

Step 1:To know and fill up proposer details

Step 2:To know and fill up godown and materials to be insured details

Step 3:To know and fill up risks to be covered

RESULT:

The proposal for property insurance was filled up

4. Fire Insurance

M/S Empire Textiles is proposing to insure the stock of their business against fire

The major details of for fire insurance are provided below:

Doing business in Yarn

Paid up capital Rs.2.00 crores

Spontaneous combustion (fire) to be covered

No insurance with any other company excepting with New India Assurance Co.,

The insured property is shop and godown with risk of utilities located outside industrial manufacturing risks

Stock of yarns

Hydrant Fire extinguishers are installed in shop and godown

The shop and godown are concrete

Stock are worth of Rs.50.00 lacs

Stocks are in two location at shop and godown

Stocks are in bundles inside the boxes and inside the shop and godown.

Prepare the fire insurance proposal for availing insurance.

AIM:

To know how to fill up fire insurance proposal

PROCEDURE;

Step 1: To know and fill up proposer details

Step 2: To know and fill up proposer's business covered

Step 3: To know and fill up materials to be insured and construction details

RESULT

proposal form for fire insurance was filled up

Exercise no 9

A) Procedure for the insurance claims: Life Insurance

Mrs. M.R. Saranya w/o M.S.Ramesh s/o Surendar is proposing to submit claim for life insurance policy

The major details of life insurance are provided below:

Details of the claimant M.R.Saranya

Particulars regarding the deceased.

The deceased died on 10.9.2019 at Coimbatore at 10.00 am at the age of 59. He was ill for 5 days and died due to heart attack. He was working as Manager in a Retail shop. He is having other policies, the details of which are provided as below:

Policy no

Sum assured ; Rs.10. lacs

Name of issuing office: LIC, Coimbatore

Date of commencement : 1.10.1999

Double accident covered

He complained about chest pain in the year 2017.

The details of the treatment given are given.

Prepare the life insurance claim form

AIM:

To know the details of insurance claim forms

To understand the details required to be filled while claiming insurance

PROCEDURE:

Step 1: Legal heirs to take a life insurance proposal claim form of an insurance company (LIC, insurance claim)

Step 2: Fill up the particulars of details required

Step 3: Provide the details of death of insured

Step 4: Provide the details of illness of the insured and consultations

Step 5: Attach the documents as required

Step 6: Put the signature of legal heirs

RESULT

The claim form of insurance proposal form for life insurance was filled up and understood..

B) Procedure for the insurance claims: General Insurance claim (motor)

Mr.Singaraj is proposing to submit claim for non life insurance policy (motor insurance)

The major details of non life insurance (motor insurance) are provided below:

Mr. Singaraj has insured for a two wheeler motor bike with CHOLA MS General Insurance Company. The vehicle met with an accident on 15.9.2019 at Pollachi road, Coimbatore near Othakalmandapam at 5.00 pm. I also suffered minor injury and got treated in the nearby hospital for a day and discharged on 16.9.2019. The accident occurred when a speeding car hit on the backside of the motor bike. A police complaint was lodged in nearby police station and FIR copy obtained. The motor bike was damaged and the details were informed to the Insurance Company by phone and e mail. After few days, the surveyor inspected the spot and vehicle and noted the damage to vehicle.

Prepare the Motor insurance claim form .

AIM:

To know how to fill up motor insurance claim proposal

PROCEDURE:

Step 1 : To know and fill up personal details

Step 2: To know and fill up vehicle and loss details

Step 3: To know and fill up driver and third party details

RESULT:

The proposal for motor insurance was filled up

Exercise no. 10 :

Understand the Healthcare Regulations and Standards (HIPAA- Health Insurance Portability and Accountability)

Purpose:

To prevent inappropriate use and disclosure of individual 's health information

To involve organisations handling health information to protect the information adn also the systems which store, transmit and process.

HITECH – Health Information Technology for Economic and Clinical Act .

Under this Act, USA Department of Health creates electronic health records

Patient Protection and Affordable Care Act, 2010 (ACA)

This Act enables to increase the affordability and quality of health insurance

American Medical Association: (AMA)

It advocates for the administrative simplification and to encourage

Real time health plan through online

Reduction of manual processes in physician's claim \

Increased transparency in claim payment

Privacy standards:

HIPAA ensures

federal protection of personal health information held by physicians

Ensures patients to access their information

Security Standards :

HIPAA rule ensures confidentiality , integrity and security of electronic health information

AIM:

To know the health regulation and standards

PROCEDURE:

Step 1: To know the details of HITECH Act

Step 2: To know the Patient Protection and Affordable Care Act, 2010 (ACA)

Step 3: To know the American Medical Association: (AMA)

Step 4: To know about the privacy and security standards

RESULT :

The health regulation and standards were studied and understood

