

Syllabus

For the Trade of

INSURANCE

agent

Under

Craftsmen Training Scheme (CTS)

Year - 2002

Designed by

Government of India
Ministry of Labour (D.G.E & T)
CENTRAL STAFF TRAINING AND RESEARCH INSTITUTE
EN Block, Sector-V,
Salt Lake City,
Kolkata-700 091

**List of members of the Trade Committee Meeting to approve the syllabus for the
Trade of “Insurance Agent” under CTS held on 26.11.2002 at CSTARI**

S/Sri

1.	H. Somasundaram, Director	C.S.T.A.R.I., Kolkata	Chairman
2.	V.S.Gour, Jt. Director	-do-	Member
3.	A.K.Banerjee,	Indian Insurance Institute	Member
4.	S.Ghosal	LICI , Howrah Divn.	Member
5.	A.K. Chakraborty	LICI, Suburban Divn.	Member
6.	Abhi Mukherjee,	National Insurance Co.Ltd.	Member
7.	J. Roy,	-do-	Member
8.	T. Mukhopadhyay, DDT	CSTARI, Kolkata	Member
9.	P. Mathur, DDT	-do-	Member
10.	M.S.Ekambaram, ADT	-do-	Member
11.	P.K.Koley, T.O.	-do-	Member
12.	R.N.Manna, T.O.	-do-	Member
13.	S.K.Das, Sr. Librarian	-do-	Member
14.	G.Nandi, Jr. D'man	-do-	Member
15.	H.D.Pakhira, Projec.	-do-	Member

List of members of the review Trade Committee Meeting to approve the syllabus for the Trade of “Insurance Agent” under CTS held on 08.07.2004 at CSTARI

<u>S/Sri</u>			
1.	G. Bhowmik, Jt. Director, HOO	A.T.I., Kolkata	Chairman
2.	A.K. Poddar, Regional Manager	LICI, Zonal Office, Kolkata	Member
3.	S. K. Das, Sr. Branch Manager	LICI,CAB,Salt Lake, Kolkata	Member
4.	K.L.Ghosh, K.S.D.O.	LICI , Kilkata	Member
5.	S. Bose,Asstt. Director	DIT (W.B.), Bikash Bhavan, Salt Lake, Kolkata	Member
6.	T. Mukhopadhyay, DDT	CSTARI, Kolkata	Member
7.	A. Chakraborty, Asstt. Didector	ATI, Dasnagar, Howrah	Member
8.	P.K.Koley, T.O.	CSTARI, Kolkata	Member
9.	S. B. Sardar, T.O.	-do-	Member
10.	S. R. Pal, Steno	-do-	Member

General Information

1. Name of the Trade	:	INSURANCE AGENT
2. N.C.O. Code No.	:	
3. Duration	:	6 Months (26 Weeks)
4. Entry Qualification	:	Passed 12 th Class under (10+2) System of Education.
5. Unit Size	:	25 Trainees
6. Space Requirement Trainee	:	1.5 Sq. m. /

Objective of the course: After completion of the course trainees should be able to work as an Insurance Agent.

Week wise Course Content

Sl. No.	T o p i c	Week Nos.
1	Insurance Principles	08
2	Life Insurance	04
3	General Insurance	06
4	Accounting & Taxation	02
5	Insurance Marketing	05
6	Private Insurance Companies	01

TOTAL -- 26 Weeks

SYLLABUS FOR THE TRADE OF “INSURANCE AGENT”

UNDER CTS

Duration: 26 Weeks

Week No.	Trade Practical	Trade Theory
01-08	<p><u>INSURANCE PRINCIPLES:</u></p> <ul style="list-style-type: none"> ➤ Preparation of example sheets regarding the insurance interest, re-insurance and double insurance. ➤ Proforma or format of Insurance Policy. ➤ Filling up of various types of proposals forms and policy forms. ➤ Practical training in preparation of claims forms with examples. ➤ Examples of Indemnity, Subrogation and contribution. ➤ Assessment of proximate cause in practice. ➤ Drafting of Underwriting proposals. 	<p><u>INTRODUCTION TO INSURANCE:</u></p> <p>Purpose & need of Insurance. Insurance as a Social Security Tool. Role of Insurance in the development of economy.</p> <ul style="list-style-type: none"> ➤ Meaning, origin of Insurance, Importance and objective of Insurance, Investment and risk coverage, concept of re-insurance and double insurance. Insurance Business and its scope in India. ➤ Principles of Insurance; Contract of Insurance, Insurable interest, Indemnity, Subrogation, contribution and Proximate Cause, Moral Hazard. ➤ Types of Insurance: Life, Property, General and liability. Their Salient features, objectives and functions. The Insurances Act., 1938. ➤ Under writing knowledge of all types of insurance Policies and procedures for issuing policies. ➤ Insurance Administration: <ul style="list-style-type: none"> ○ Prospectus ○ Proposal Forms ○ Policy Forms. ○ Policy Privileges ○ Conditions & Restrictions. ○ Endorsements. ○ Renewal Procedure ○ Revival. ○ Settlement of Claims. ○ Fundamentals of Agencies. ○ Definition of an Agent ○ Functions of the Agent. ○ Procedure for becoming an agent. ○ Remuneration to the Agent. ○ Code of conduct. ○ Obligation of Insurance Agent.

<p>09-- 12</p>	<p><u>INSURANCE DOCUMENT</u></p> <p>Capital need analysis. Human Life Value (HLV) Life Insurance Products.</p> <p>Preparation of various Life Insurance Policy Documents.</p> <ul style="list-style-type: none"> ➤ Filing up of Proposal Forms, Personal statements and medical reports. ➤ Calculations of Policy loans, Procedure of transferring the Policy from one office to another ➤ Drafting of nomination and assignment forms. ➤ Preparation and completion of Register of Claims. ➤ Practical calculation of Bonus ➤ Calculation of interest on loan. ➤ Practical example of investigating premature claims. ➤ Visit and study of working procedure in life insurance offices. 	<ul style="list-style-type: none"> ➤ Nature, principles and objectives. ➤ Difference from other types of Insurance; Annuity contracts – purpose and classification; difference from Life Insurance Policies and annuity contracts, types of Life Insurance Policies – different plans of assurances – Proposal forms. Personal statement and Medical report, Agents confidential report, role of life insurance in the national economy, Development, Social security, funds for Government exchequer. ➤ Policy Holders servicing: Policy loans, Loan bonds, Stamp Duty, interest on loan, defaults in payment of interest, Age Proof, alteration of policies, Loss of Policy, Duplicate Policy and transfer of Policy from one office to another, nomination and assignments, Calculation of premium, Various types of valuation of Insurance. ➤ Claims settlements: Maturity and death claims. Procedure and requirement for admission of claims Proof of title, Double accident and Disability Benefits, investigating premature claims and settlement of claims, Register of claims, out standing claims. ➤ Functions of Insurance Organizations: Survival benefits, Surrender value, loan value, The Life Insurance Act, 1956. <p><u>Investment:</u></p> <ul style="list-style-type: none"> ➤ Valuation and distribution of Bonus to Policy Holders. Life Insurance fund, reserve and surplus, distribution of surplus to Policyholders and government. Kinds of Bonus, interim bonus, final and additional bonus and one time bonus, Principles of investment of life fund.
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13 --18	<p><u>OTHER DISTRIBUTION CHANNEL:-</u></p> <p>General Insurance:</p> <ul style="list-style-type: none"> ➤ Introduction of General Insurance, Basic Principles of Insurance. ➤ Filling up proposal forms, Types of five policies etc. ➤ Actual calculation of Premium, Preparation of endorsements and renewals, Drafting of fire policies, Preparation of claims, scrutiny of fire, losses etc. ➤ Read and observe clauses of various Marine Policies. ➤ Preparation of claims amount relating to marine losses. ➤ Preparation of proposal forms, cover notes, Policy forms of Motor Insurance. ➤ Gather practical experience of classifying various risks and their coverage. ➤ Calculate premium on certain proposals of Motor insurance. ➤ Ascertain claim amount of Motor Losses. ➤ Similarly gather practical experience in connection with Accident Insurance, Cattle Insurance, Crop Insurance, health Insurance etc. 	<p><u>(A) Fire Insurance:</u></p> <ul style="list-style-type: none"> ➤ Basic Principles of Fire Insurance, Scope and significance of fire Insurance, Proposals and acceptance. ➤ Type of Fire Insurance Policies. ➤ Premium Calculation in Fire Insurance. ➤ Endorsement & renewals of Fire Policies. ➤ Claim Settlement of Fire Policies. <p><u>(B) Marine Insurance:</u></p> <ul style="list-style-type: none"> ➤ Principles of Marine Insurance ➤ Scope of Marine Insurance in India ➤ Proposal forms and cover notes. ➤ Types of Marine Policies. ➤ Institute clause of marine Insurance. ➤ Marine losses. ➤ Claim settlement. ➤ General and Particular average. <p><u>(C) Motor Insurance:</u></p> <ul style="list-style-type: none"> ➤ Principles of Motor Insurance ➤ Scope and significance of Motor Insurance in India. ➤ Proposal Forms and cover notes. ➤ Policy forms and certificate of Insurance. ➤ Classification of risks and its coverage. ➤ Extra benefits and rebates. ➤ Methods of Premium calculation. ➤ Claim settlement. <p><u>(D) Accident and Liability Insurance:</u></p> <ul style="list-style-type: none"> ➤ Principles of accident Insurance and Liability Insurance. ➤ Physical and Moral Hazards. ➤ Proposal forms, Policy forms. ➤ Classification of risks. ➤ Endorsements. ➤ Methods of rating,
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		<ul style="list-style-type: none"> ➤ Extra benefits. ➤ Contingent liability, ➤ Indemnity. ➤ Claim settlement. ➤ Re-insurance.
19 -- 20	<p>Financial Planning & Taxation.</p> <p>New Account Regulations</p> <p>Group Insurance.</p>	<p><u>Income Tax:</u></p> <ul style="list-style-type: none"> ➤ Definition of income, Person and assessment year and Previous year. ➤ Residential Status: resident not orderly and non-resident. Heads of income: Salary, House property, income from business and profession, Capital gains and income from other sources. <p><u>e) Other cases:</u></p> <ul style="list-style-type: none"> ➤ Tax rebates under Income Tax, Gift Tax and Wealth Tax.
21 -- 25	<p><u>INSURANCE MARKETING:</u></p> <ol style="list-style-type: none"> 1. Visit Insurance office and prepare a chart of marketing organization along with their functions. 2. Needs for Insurance Policy. 3. Visit prospective Policy holders who are: - <ul style="list-style-type: none"> ➤ Willing to purchase the insurance policy. ➤ Not willing to purchase insurance policy. ➤ Do not know about the Insurance. ➤ Who criticize the insurance policy. ➤ Unaware of insurance policy 4. Prepare selling designs for Pre-approach, approach, interview, objections & closing. 5. Reply the various objections raised by prospective Policyholders. 6. Finalize the Insurance Business. 7. Read LIC, GIC agents' manuals. 8. Familiarization with IRDA Regulation on agents 	<ol style="list-style-type: none"> 1. Concepts of marketing. Difference between marketing and sales. 2. Marketing Techniques: Salesmanship Prospecting, Selling Process, Pre-approach, approach, interview, objection closing, and Post Sales service. LIC Agents manual and GIC Agents manual. 3. Knowledge of different Insurance Plans: Endowment, Whole life, Pension Plans, Group Insurance Plans, Salary savings scheme, Annuity Plans. Latest Insurance Plans Motor policy, Marine policy, Fire Policy, Crop Policy, Cattle Policy, Health Policy etc. 4. Communication: Methods of communication, Encoding, Decoding, Transmissions, Insurance Appeals, Logical Real, Ethos and Sentimental. 5. Motivation: Commission. Renewal commission. Bonus, Gratuity. Recognition of merits Prizes and Gifts. Clubs namely B. Manager, Div. Manager, Zonal Manager and chairman.

	<p>.(Insurance Regulatory & Development Authority)</p> <p>9. Prepare different types of Insurance Policies such as:</p> <p>➤ Endowment Policy, whole life policy, pension plans, Motor Insurance, Marine Insurance, Fire Insurance, Crops Insurance etc, Cattle Insurance.</p> <p>10. Find out various noise and barriers of Communication.</p> <p>11. Prepare different types of Insurance appeals such as Logos, Ethos and Pathos.</p> <p>12. Motivate Insurance Agents for Underwriting different types of Insurance policies.</p> <p>13. Inspire prospects to purchase policies of Insurance for lives, Properties, liabilities etc.</p> <p>14. Design motivational techniques to enhance insurance business by agents.</p> <p>15. Recognition/Meritocracy</p> <p>16. Appreciate Insurance Agents on their success.</p>	
26	Revision & Test	<p>Names of different Private Insurance companies.</p> <p>Nature and types of their business.</p> <p>Difference between LIC, GIC and Private companies.</p>

LIST OF TOOLS AND EQUIPMENTS FOR THE TRADE
" INSURANCE AGENT "

Sl. No.	Items	Quantities
1	PC with Latest configuration	1 No.
2	Printer (Dot Matrix)	1 No.
3	Software MS Office, Windows	1 No.
4	LCD Projector along with Screen	1 No.
5	Demonstration Stand	2 Nos.
6	Suggested Books: Life Insurance --IC-33	3 Nos.