

Open Vocational Education Programme

# Diploma in Insurance Services

2

## PRINCIPLES OF INSURANCE

*Designed & Developed  
by*

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**NATIONAL INSTITUTE OF OPEN SCHOOLING**  
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**Diploma in Insurance Services**  
**PRINCIPLES OF INSURANCE**

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***Dear Learner,***

*Welcome to the National Institute of Open Schooling!*

*By enrolling with this institution, you have become a part of the family of the world's largest Open Schooling System. As a learner of the National Institute of Open Schooling's (NIOS) Vocational Programme, I am confident that you will enjoy studying and will benefit from this very unique School and method of training.*

*Before you begin reading your lessons and start your training, there are a few words of advice that I would like to share with you. We, at the NIOS, are well aware that you are different from other learners. We realize that there are many of you who may have rich life experiences; you may have prior knowledge about trades and crafts that are part of your family's legacy; you may have a sharp business sense that will make you fine entrepreneur one day. Most importantly, you have the drive and motivation that has made you enroll with this institution, which believes in the spirit of freedom. Yes, we are aware that you have many positive aspects in your personality, which we respect and relate to them.*

*During the course of your study, NIOS will treat you as the manager of your own learning. This is why your course material has been developed keeping in mind the fact that there is no teacher to teach you. You are your own teacher. Of course, if you have a problem, we have provided for a teacher at your Accredited Vocational Institution (AVI). I would advise you that you should always be in touch with your AVI for collection of study material, examination schedules etc. You should also always attend the Personal Contact Programmes and practical/ Training sessions held at your study centres. These will give you the necessary hands on training that is very essential to master a vocational course.*

*Studying for a vocational course is different from any other academic course. Here, while the marks obtained in the examination will indicate your grasp on your subject knowledge, your real achievement will be when you are able to apply your vocational skills in the market. I hope that this skill-based learning will help you perform your tasks better. This course of One year duration Diploma Course in Insurance Services developed by leading experts of Insurance sector. It is a multi-skilled programme, which will expose you to a variety of skills in Insurance sector. We hope that you will find it useful. On behalf of NIOS, I wish you the very best for a bright and successful future.*

**Dr. S. S. Jena**

Chairman

National Institute of Open Schooling

***Dear Learner,***

*In the fast expanding world of activities, learning new skills has become a necessity. Learning and re-learning has become essential for all. In such an environment, vocational education has assumed great importance. Vocational education, as a stream of education, promotes skill development and training of youth and directs them towards meaningful employment.*

*In keeping with the needs of the Learners, NIOS conducts Vocational Education Programmes in many areas through distance mode. These programmes include Agriculture, Business & Commerce, Home Science, Engineering & Technology, Computer Science, and Health & Paramedical. The Courses offered in these areas are aimed at providing self employment & wage employment opportunities for NIOS learners.*

*Diploma in Insurance Services is a One year Diploma course in Insurance Services. This course has been developed with the help of many leading experts of Insurance Sector. The course syllabus is designed keeping in view the requirements of the insurance sector.*

*This is multi-skilled programme, which will expose you to variety of skills. It includes Business Environment, Principles of Insurance, Life Insurance, General Insurance and Legal framework. This will help in identifying learner's preference for future vocation. We are confident that this course will prove to be beneficial to you.*

*We wish you all the best in your future career.*

**Dr. K. P. Wasnik**

Director (VE)

National Institute of Open Schooling

*Dear Learner,*

*This programme is specially for all those who are school dropouts and have started small enterprises, want to work in the Insurance sector as a skilled workforce and contribute substantially to the progress of India.*

*The multi-skill content with hands-on experience of this programme stimulates the intellect by going through concrete operations and then abstracting the concepts. At the same time by giving a variety of skills usable in everyday life, allowing them to form their preferences and know their aptitudes thus enabling them to choose a career. It also improves their self-image and gives them confidence and hope for the future.*

*The Insurance sector has completed its full circle in the year 2000, i.e. Private sector to Public sector and now back to Private sector. After 44 years, the monopoly of Life Insurance Corporation is no more and after 27 years four Public Sector general Insurance companies lost their monopoly. As on date there are 50 life and general insurance companies and few are queue to get license.*

*These insurance companies need trained manpower to be present on all India basis. To cater the needs of the insurance industry NIOS has designed a course namely "Diploma in Insurance Services" for the students who have minimum qualification of 12th standard.*

*In this module the student will be made familiar with the principles of commercial contracts as well as insurance on which the insurance business is transacted.*

*As the insurance sector is divided into two segments i.e. Life and non life therefore the principles are explained separately to avoid any confusion to the students.*

*We hope that this programme will help you to carve a niche in your career and play an important role in the society.*

*With best wishes.*

**Dr. Ajay Garg**  
Senior Executive Officer  
(Business & Commerce)  
National Institute of Open Schooling

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