

IC-38 General Insurance Study Material 2026

Detailed General / Non-Life Insurance Learning & Revision Guide

Prepared as an original learning and revision resource.

This guide is designed to explain concepts in clear language and support exam preparation. It is not a replacement for the latest official syllabus, regulations, circulars, or insurer instructions.

How to Use This PDF

- Study the common IC-38 concepts before General Insurance topics.
- Learn motor, property/fire, marine, liability and personal accident concepts with examples.
- Pay special attention to underwriting, exclusions, deductibles and claims.
- Always distinguish general educational guidance from the exact policy wording.
- Use the official IC-38 General material for the complete prescribed syllabus.

Chapter 1: General Insurance Concepts

General insurance covers a wide range of non-life risks. Products may protect property, vehicles, liabilities, personal interests and other specified risks.

Nature of general insurance

General insurance is commonly associated with indemnity-based covers, although product structures differ. Policy periods, limits, deductibles, exclusions and conditions vary by product.

- Always distinguish insured events from exclusions.
- The sum insured/limit should be understood in context.
- Policy schedules and wording form key parts of the contract.

Underwriting and risk assessment

Underwriting evaluates the nature, probability and potential severity of loss and determines appropriate terms. Information such as occupancy, usage, location, claims history and risk controls may be relevant depending on the product.

- Accurate proposal information matters.
- Risk pricing and acceptance depend on product and insurer rules.
- Changes in risk may need to be disclosed during the policy period.

Chapter Practice Questions

1. Third-party motor insurance primarily addresses:

- A. damage to the insurer
- B. liability toward third parties
- C. investment returns
- D. life maturity benefit

Answer: B — It addresses specified third-party liabilities arising from use of the vehicle.

2. Underwriting is the process of:

- A. printing policies
- B. assessing risk and deciding terms
- C. collecting claims only
- D. marketing investments

Answer: B — Underwriting evaluates risk and determines whether and on what terms it should be accepted.

3. An exclusion is:

- A. a guaranteed benefit
- B. a circumstance or loss not covered under the policy
- C. a premium receipt
- D. a claim form

Answer: B — Exclusions define situations for which the policy does not provide cover.

4. A deductible generally means:

- A. the insurer pays every rupee

- B. the insured bears an agreed initial portion of a covered loss
- C. the policy is cancelled
- D. the premium is refunded

Answer: B — A deductible is the specified amount/portion borne by the insured before the insurer's liability applies, subject to terms.

5. A claim is:

- A. a request for policy benefits following a covered event
- B. a sales brochure
- C. a premium quote only
- D. an agency licence

Answer: A — A claim is a request for payment or service under a policy after an insured event.

Chapter 2: Motor Insurance

Motor insurance addresses specified risks associated with vehicles and liabilities arising from their use.

Types of cover

Motor policies can contain own-damage and third-party liability components, depending on the product and legal requirements. Add-ons may provide additional benefits subject to their own terms.

- Third-party liability is distinct from damage to the insured vehicle.
- IDV and depreciation concepts may be relevant to own-damage claims.
- Policy validity, vehicle use and driver-related conditions matter.

Claims

A motor claim generally involves prompt notification, documents, inspection/assessment where applicable and settlement according to policy terms. The customer should preserve relevant evidence and cooperate with the insurer.

- Do not repair or dispose of damaged property contrary to policy/insurer instructions.
- Keep registration, licence and policy documents available.
- Fraudulent or exaggerated claims can have serious consequences.

Chapter Practice Questions

1. Third-party motor insurance primarily addresses:

- A. damage to the insurer
- B. liability toward third parties
- C. investment returns
- D. life maturity benefit

Answer: B — It addresses specified third-party liabilities arising from use of the vehicle.

2. Underwriting is the process of:

- A. printing policies
- B. assessing risk and deciding terms
- C. collecting claims only
- D. marketing investments

Answer: B — Underwriting evaluates risk and determines whether and on what terms it should be accepted.

3. An exclusion is:

- A. a guaranteed benefit
- B. a circumstance or loss not covered under the policy
- C. a premium receipt
- D. a claim form

Answer: B — Exclusions define situations for which the policy does not provide cover.

4. A deductible generally means:

- A. the insurer pays every rupee

- B. the insured bears an agreed initial portion of a covered loss
- C. the policy is cancelled
- D. the premium is refunded

Answer: B — A deductible is the specified amount/portion borne by the insured before the insurer's liability applies, subject to terms.

5. A claim is:

- A. a request for policy benefits following a covered event
- B. a sales brochure
- C. a premium quote only
- D. an agency licence

Answer: A — A claim is a request for payment or service under a policy after an insured event.

Chapter 3: Property, Fire and Marine

Property-related insurance addresses specified physical risks, while marine insurance can cover cargo, vessels or related interests depending on the contract.

Fire and property

Property policies may cover specified perils or broader sets of risks. Important factors include occupancy, construction, contents, location, sum insured, deductibles and exclusions.

- Underinsurance can affect claim settlement where average or related provisions apply.
- Risk improvement measures can affect underwriting.
- The exact scope depends on the policy wording.

Marine insurance

Marine insurance deals with risks connected with marine adventure and can include cargo and other interests. Documentation and transit details can be important to underwriting and claims.

- Know the subject matter and transit details.
- Conditions and warranties may be important.
- Claims require evidence of loss and relevant transport documents.

Chapter Practice Questions

1. Third-party motor insurance primarily addresses:

- A. damage to the insurer
- B. liability toward third parties
- C. investment returns
- D. life maturity benefit

Answer: B — It addresses specified third-party liabilities arising from use of the vehicle.

2. Underwriting is the process of:

- A. printing policies
- B. assessing risk and deciding terms
- C. collecting claims only
- D. marketing investments

Answer: B — Underwriting evaluates risk and determines whether and on what terms it should be accepted.

3. An exclusion is:

- A. a guaranteed benefit
- B. a circumstance or loss not covered under the policy
- C. a premium receipt
- D. a claim form

Answer: B — Exclusions define situations for which the policy does not provide cover.

4. A deductible generally means:

- A. the insurer pays every rupee

- B. the insured bears an agreed initial portion of a covered loss
- C. the policy is cancelled
- D. the premium is refunded

Answer: B — A deductible is the specified amount/portion borne by the insured before the insurer's liability applies, subject to terms.

5. A claim is:

- A. a request for policy benefits following a covered event
- B. a sales brochure
- C. a premium quote only
- D. an agency licence

Answer: A — A claim is a request for payment or service under a policy after an insured event.

Chapter 4: Liability and Personal Accident

Liability insurance can protect against specified legal liabilities, while personal accident products generally respond to defined accidental bodily injury events.

Liability insurance

Liability covers vary widely, including public liability, professional liability and other specialised forms. The trigger, limit, exclusions and defence/settlement provisions depend on the policy.

- Do not assume every legal liability is insured.
- Policy limits and deductibles matter.
- Claims may require notices, correspondence and legal documents.

Personal accident

Personal accident insurance generally provides defined benefits for specified accidental injuries or death. It is not the same as comprehensive health insurance.

- Read definitions of accident and covered events.
- Benefits may be fixed or structured according to the policy.
- Exclusions and conditions must be explained.

Chapter Practice Questions

1. Third-party motor insurance primarily addresses:

- A. damage to the insurer
- B. liability toward third parties
- C. investment returns
- D. life maturity benefit

Answer: B — It addresses specified third-party liabilities arising from use of the vehicle.

2. Underwriting is the process of:

- A. printing policies
- B. assessing risk and deciding terms
- C. collecting claims only
- D. marketing investments

Answer: B — Underwriting evaluates risk and determines whether and on what terms it should be accepted.

3. An exclusion is:

- A. a guaranteed benefit
- B. a circumstance or loss not covered under the policy
- C. a premium receipt
- D. a claim form

Answer: B — Exclusions define situations for which the policy does not provide cover.

4. A deductible generally means:

- A. the insurer pays every rupee

- B. the insured bears an agreed initial portion of a covered loss
- C. the policy is cancelled
- D. the premium is refunded

Answer: B — A deductible is the specified amount/portion borne by the insured before the insurer's liability applies, subject to terms.

5. A claim is:

- A. a request for policy benefits following a covered event
- B. a sales brochure
- C. a premium quote only
- D. an agency licence

Answer: A — A claim is a request for payment or service under a policy after an insured event.

Final Revision Checklist

- Can you define the major insurance terms without referring to notes?
- Can you explain the core principles and distinguish them from one another?
- Can you identify the customer-service and ethical responsibilities of an agent?
- Can you explain the relevant policy, underwriting and claim concepts for your branch?
- Have you completed the practice questions and reviewed every incorrect answer?
- Before the examination, confirm the current examination instructions with the official authority or examination body.