

# **TYPES OF INSURANCE**

## **1. LIFE INSURANCE**

Life Insurance is different from other insurance in the sense that, here, the subject matter of insurance is the life of a human being. The insurer will pay the fixed amount of insurance at the time of death or at the expiry of a certain period. At present, life insurance enjoys maximum scope because life is the most important property of an individual. Each and every person requires insurance. This insurance provides protection to the family at the premature death or gives an adequate amount at the old age when earning capacities are reduced. The insurance is not only a protection but is a sort of investment because a certain sum is returnable to the insured at the death or the expiry of a period.

**2. Health Insurance** - This insurance covers all the medical expenses related to treatment of ailments. It covers hospitalization, medication for illnesses ranging from a viral flu to much more severe ailments!

**3. Motor vehicle insurance**, also called automotive insurance, a contract by which the insurer assumes the risk of any loss the owner or operator of a car may incur through damage to property or persons as the result of an accident. There are many specific forms of motor vehicle insurance, varying not only in the kinds of risk that they cover but also in the legal principles underlying them.

**4. Industrial insurance** is purchased by the employer or business owner for the employees. It usually pays for work-related injuries or on-the-job accidents and does not cover an injury that has occurred outside the workplace.

**5. Marine insurance** provides protection against the loss of marine perils. The marine perils are; collision with a rock or ship, attacks by enemies, fire, and captured by pirates, etc. these perils cause damage, destruction or disappearance of the ship and cargo and nonpayment of freight. So, marine insurance insures ship (Hull), cargo and freight.

**6. CROP INSURANCE**: Crop insurance is a type of protection policy that covers agricultural producers against unexpected loss of projected crop yields or profits from produce sales at market. Crop insurance is divided into two categories: crop-yield and crop-revenue. Crop-yield insurance protects the expected revenue due to unexpected yields, which is the volume of a crop's harvest. Crop-revenue insurance covers expected revenue from loss owing to market fluctuations of crop selling prices. Both types of insurance are a means to aid in disaster recovery for producers due to unexpected events.