



K16U 0295

Reg. No. :

Name :

VI Semester B.A./B.Sc./B.Com./B.B.A./B.B.A.T.T.M./B.B.A.R.T.M./B.B.M./
B.C.A./B.S.W./B.A. Afsal-UI-Ulama Degree (CCSS-Reg./Supple./Improv.)

Examination, May 2016

Open Course

6D02 COM : INSURANCE AND RISK MANAGEMENT

(2012 Admn. Onwards)

Time : 2 Hours

Max. Weightage : 20

PART – A

This part consists of **two** bunches of question carrying **equal** weightage of **one**.
Each bunch consists of **four** objective type questions. Answer **all** questions. Choose
the correct answer.

- I. 1) For the purpose of fire insurance, loss by fire means loss due to
a) ignition
b) accidental fire
c) causing arising from fire
d) damage caused during extinguishment of fire
- 2) In which year was general insurance nationalized in India ?
a) 1972 b) 1975 c) 1978 d) 1980
- 3) Both security and investment elements are available
a) Life insurance b) Life and fire insurance
c) Marine and fire insurance d) Life, marine and fire insurance
- 4) Janta policy was introduced by Life Insurance Corporation of India.
a) 1958 b) 1957 c) 1960 d) 1945 (W = 1)
- II. 5) An insurance contract without _____ is void.
a) Insurable b) Premium c) Time d) Helping
- 6) Re-insurance is an insurance
a) Between two persons b) Between two companies
c) Between company and a person d) None of the three

P.T.O.



- 7) A security that yields consistent returns over a period of time is termed.
- a) Open security
 - b) Riskless security
 - c) Open market security
 - d) Capital security
- 8) Average clause in a fire policy is interest in order to check mainly
- a) Over insurance
 - b) Under insurance
 - c) Loss of insurance company
 - d) Other insurance
- (W = 1)

PART – B

Answer **any six** questions in **one** or **two** sentences **each**. **Each** question carries a weightage of **one**.

9. What is personal risks ?
 10. What are the different modes of reinsurance ?
 11. What do you mean by full insurance ?
 12. What is comprehensive policy ?
 13. Distinguish between fire insurance and marine insurance.
 14. State two uses of insurance to Business.
 15. Write a note on paid-up value.
 16. A person insures his property worth Rs. 20,000 against fire for Rs. 16,000 only. His actual loss by fire is Rs. 10,000. What is his claim assuming average claim in the policy ?
 17. What is subrogation ?
 18. What do you mean by the term "life assurance" ?
- (W = 6×1=6)

PART – C

Answer **any four** questions. Answer **not** to exceed **one** page. **Each** carries a weightage of **two**.

19. What are the advantages of insurance ?
20. How does the IRDA protect the interests of the policy holders ?



21. Explain important secondary functions of insurance.
22. Write notes on :
 - a) Bancassurance
 - b) Convertible whole life policy.
23. Explain methods of risk classification.
24. Describe the facts not required to be disclosed in life insurance.
25. Define fire insurance. What are its important functions ?
26. Give an account of agricultural insurance in India. (W = 4×2=8)

PART – D

Answer **any one**. **Each** question carries a weightage of **four**.

27. Describe in detail the importance and uses of insurance to the business community.
 28. What are the various principles of a valid insurance contract ?
 29. Discuss the preventive mechanism of insurance companies for preventing fire loss. (W = 1×4=4)
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