

[3 Hours]

[Total marks: 100]

- N.B.** 1) All the questions are compulsory.
2) All questions carry equal marks.

Q.1 Answer any 2

(20 Marks)

- What is insurance? What are its characteristics?
- Discuss the distinction between Assurance and Insurance.
- Explain the classification of Insurance and limitations of Insurance.

Q.2 Answer any 2

(20 Marks)

- Discuss in detail the concepts of Perils and Hazards in insurance.
- Elaborate the classification of Pure risk.
- Explain Risk management process in insurance.

Q.3 Answer any 2

(20 Marks)

- Discuss the role of insurance and economic development.
- Explain growth & Performance of Public Insurance Companies in India
- Write a note on various government policies in insurance in India.

Q.4 Answer any 2

(20 Marks)

- What is reinsurance and what are its objectives?
- Elaborate the techniques of Reinsurance?
- Discuss the role of the General Insurance Corporation of India.

Q.5 Write Short Note any 2

(20 Marks)

- Functions of Insurance
- Concept of Risk
- Disinvestment of LIC
- Issues and challenges in Indian Reinsurance.

OR

Q.5 Choose the correct option and rewrite the sentence.

(20 Marks)

- Insurance is a contract represented by a policy, in which an individual or entity receives financial protection. or reimbursement against losses from-----.
 - the government
 - the non-banking insurance companies
 - an insurance company
 - any bank
- The insurer agrees to indemnify the insured upon the happening of a particular event. There fore insurance is -----.
 - protection for happiness
 - protection against risk
 - order of preference
 - source of risk

3. Insurance in India is regulated under the law passed by the -----.
 - a. State Bank of India
 - b. Government of India
 - c. State Government
 - d. Insurance Regulatory and Development Authority
4. The insurer undertakes to put the insured in ----- that he or she occupied before the happening of the event.
 - a. the same position
 - b. high profit
 - c. controversial safety
 - d. banking custody
5. ----- is the right of an insurer to stand in the place of the insured after settlement of a claim.
 - a. Subrogation
 - b. Interrogation
 - c. Subordination
 - d. Reinsurance
6. ----- is defined in financial terms as a chance that an outcome or investment's actual gain will differ from an expected outcome or return.
 - a. Insurance
 - b. Reinsurance
 - c. Risk
 - d. Coverage
7. What is uncertainty in in the context of insurance?
 - a. lack of predictability or confidence in forecasting future events or outcomes
 - b. lack of assets and properties
 - c. lack of banking facilities for insurance
 - d. lack of financial support for future events and outcomes
8. Which of the following statements is correct for Risk.
 - a. Risk cannot be measured and quantified using a theoretical model.
 - b. Risk is certain and known to the insurer
 - c. There is no risk at all so no need for insurance
 - d. Risk can be measured and quantified using a theoretical model.
9. In insurance contract, the perils that are covered are -----
 - a. modified by the insured and central bank
 - b. usually specified
 - c. never specified
 - d. safe and never happening
10. ----- is defined as a situation where there are only the possibilities of loss or no loss.
 - a. Pure risk
 - b. Speculative risk
 - c. Static risk
 - d. Dynamic risk

11. Insurance turn accumulated capital into -----.
- productive investment
 - unproductive investment
 - peril and loss
 - Hazard in insurance
12. The risk borne by the insurance company partly depends on the ----- to anticipate the frequency and magnitude of the losses that they promise to occur.
- frequency of risk
 - insurer's ability
 - ability of the government
 - intentions of the insured
13. Which one of the following statements is incorrect in the context of insurance?
- Policyholders pay premiums, which are regular payments to maintain coverage.
 - Insurers pool the risks of many policyholders, so individual financial losses are spread out across a larger group.
 - A legal contract outlines the terms, conditions, coverage, and exclusions of the insurance policy.
 - Insurance is all about managing certainty.
14. The Indian government announced the disinvestment of LIC on -----
- July 12, 2022
 - August 15, 2021
 - July 12, 2021
 - December 13, 2020
15. The Ayushman Bharat Yojna, also known as the -----
- Pradhan Mantri Jan Arogya Yojana
 - Pradhan Mantri Jan Abhyuday Yojana
 - Pramukh Jan Arogya Yojana
 - Life insurance policy of government
16. Which of the following private insurance company is listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).
- Life Insurance Corporation of India
 - General Insurance Corporation of India (GIC)
 - National Insurance Company Ltd
 - Max Financial Services Ltd
17. --- is an insurance that an insurance company purchase from another insurance company to insulate itself from the risk of major claims.
- Foreinsurance
 - Reinsurance
 - Close insurance
 - Forclosure insurance

18. One of the objective of reinsurance is -----

- a. transfer risk to another company to reduce the likelihood of large payment for a claim
- b. transfer assets to another company to reduce the likelihood of large payment for a claim
- c. reduce the large payment from the insured
- d. make investmetnet and earn profit

19. Reinsurance allows insurers to ----- to other parties (the reinsurers), which helps manage and mitigate the financial impact of large or catastrophic claims.

- a. transfer portions of their risk portfolios
- b. transfer portions of their financial assets
- c. transfer portions of their financial liabilities
- d. transfer portions of profit portfolios

20. ----- primarily provides reinsurance support to the Indian insurance industry.

- a. The General Insurance Corporation of India (GIC),
- b. Ministry of Health
- c. IRDI
- d. Reserve bank of India