

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BVoc DEGREE EXAMINATION MAY 2023
(Sixth Semester)

Branch – BANKING, STOCK AND INSURANCE

LIFE INSURANCE

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 x 1 = 10)

1. Life Insurance Company was set up in.
(i) 1824 (ii) 1823 (iii) 1800 (iv) 1801
2. LIC was formed in 1956 through nationalization of _____ Companies
(i) 246 (ii) 252 (iii) 250 (iv) 256
3. Insurance contract is sort of contract which is approved by _____.
(i) The Indian Contract Act (ii) Indian Factory Act
(iii) Indian Companies Act (iv) The Indian finance Act
4. _____ is the appointing of a nominee under the policy.
(i) Nomination (ii) Election
(iii) Justification (iv) Assignment
5. The policies where the premium is payable throughout the life of the assured is called _____.
(i) Whole life policies (ii) Renewable term policies
(iii) Sinking fund policies (iv) Annuity policies
6. Valuation in life insurance means
(i) The process of arriving at the profit of a life insurance company
(ii) The process of determining the net premium for a life insurance policy
(iii) The process of arriving at the bonus in a life insurance company
(iv) The process by which the value of all the existing policies is ascertained in a life insurance company.
7. The proportion of the risk which the direct insurer holds on his own account refers to _____.
(i) Line (ii) Retention
(iii) Retrocession (iv) Ceding insurer
8. Premium on sub-standard lives can be increased by one of the following
(i) By rating more than of age (ii) By adding flat extra premium
(iii) By adding extra percentage (iv) All of the above
9. Claim is processed on the basis of _____.
(i) claim form and agents opinion
(ii) legal opinion
(iii) claim form, survey report etc., other documents and any evidence secured by the insurer
(iv) survey report
10. For settlement of claims, Insurer requires proper knowledge of _____.
(i) law, principles and practice of insurance
(ii) law only
(iii) principles and practice of insurance
(iv) Law, principles, practice of insurance, terms and conditions of policies, extensions and modifications

Cont...

SECTION - B (35 Marks)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks (5 x 7 = 35)

11. a) State the characteristics of Life insurance.
OR
b) Bring out the benefits of life insurance.
12. a) Describe alterations.
OR
b) Outline the difference between Nomination and Assignment.
13. a) Differentiate the Individual Insurance and Group Insurance.
OR
b) Point out the feature of money back policies for Women.
14. a) Describe the various methods of classification of risks.
OR
b) Discuss the forms of payment of surrender values.
15. a) Show the common requirement of insurance claims.
OR
b) Bring out sources of surplus.

SECTION - C (30 Marks)

Answer any **THREE** Questions

ALL Questions Carry **EQUAL** Marks (3 x 10 = 30)

16. Examine the organization structure of LIC.
17. The procedure for issuing life insurance policy.
18. Enumerate the various types of policies.
19. Trace the various steps involved in the calculation of premium and surrender value.
20. Identify the different types of settlement of claims.

Z-Z-Z

END