25CBI205/22CBI205N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2026
(Second Semester)

Branch – **COMMERCE (BANKING AND INSURANCE)**

INSURANCE SYSTEM

Time: Three Hours | Maximum: 75 Marks

SECTION-A (10 Marks)

Answer **ALL** questions
ALL questions carry **EQUAL** marks (10 × 1 = 10)

Question No.	Question	K Level	CO
1	Risk can be defined as………………….. a) Certain gain b) Profit c) Fixed income d) Uncertain loss	K1	CO1
2	Which is not insurable? a) Pure risk b) Speculative risk c) Measurable risk d) Definite risk	K2	CO1
3	Insured is ……………………… a) Company b) Agent c) Policyholder d) Broker	K1	CO2
4	Contribution principle applies in…………….. a) Single insurance b) Multiple insurance c) No insurance d) Life insurance only	K2	CO2
5	IRDAI regulates………………… a) Insurance b) Banks c) Stock market d) Agriculture	K1	CO3
6	Insurance reforms improve………………….. a) Efficiency b) Loss c) Risk d) Errors	K2	CO3
7	TPA is related to…………………….. a) Investment b) Life insurance c) Banking d) Health insurance	K1	CO4
8	Surveyor's role is……………………… a) Selling b) Assessing loss c) Buying d) Investing	K2	CO4
9	Digital insurance uses………………… a) Technology b) Paper c) Manual d) None	K1	CO5
10	Risk pooling means………………… a) Individual b) No risk c) Group sharing d) Profit	K2	CO5

Cont…

SECTION - B (35 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** Marks (5 × 7 = 35)

Question No.	Question	K Level	CO
11.a.	Explain the meaning of risk and classify different types of risks.	K2	CO1
	(OR)		
11.b.	Describe the importance of insurance and explain methods of handling risk.		
12.a.	Explain the principles of insurance.	K2	CO2
	(OR)		
12.b.	Define reinsurance Accepted and reinsurance ceded?		
13.a.	Discuss the structure of insurance industry in India.	K2	CO3
	(OR)		
13.b.	Explain the impact of reforms in insurance sector.		
14.a.	Define insurance agents and their functions?	K2	CO4
	(OR)		
14.b.	Describe the role of TPAs in insurance?		
15.a.	Discuss the challenges of innovation in insurance.	K2	CO5
	(OR)		
15.b.	Explain the concept of digital insurance.		

SECTION -C (30 Marks)

Answer **ANY THREE** questions

ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Question No.	Question	K Level	CO
16	Classify the different types of insurance	K3	CO1
17	Discuss the principles of insurance and their importance.	K2	CO2
18	Examine the growth, reforms, and current scenario of insurance sector in India.	K2	CO3
19	Explain the role of intermediaries including agents, brokers, TPAs, and surveyors.	K2	CO4
20	Analyze the role of innovation and digital transformation in insurance sector.	K4	CO5

Z-Z-Z END