

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2022
(Fourth Semester)

Branch – COMMERCE (FOREIGN TRADE)

PRINCIPLES OF INSURANCE

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

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

- 1 _____ involves those losses that occur even if there were no changes in the economic environment.
(i) Dynamic Risks (ii) Static Risks
(iii) Fundamental Risk (iv) Particular Risk
- 2 The danger of loss from the unforeseen circumstances in future refers to ____
(i) Risk (ii) Perils
(iii) Hazard (iv) Damage
- 3 The expanded form of SA as commonly used in life insurance
(i) Sum Assured (ii) Surrender of Assurance
(iii) Supplementary Assurance (iv) Survivor's Annuity
- 4 A policy where the policyholder makes a one-time payment of premium is known as a _____.
(i) Money-Back Policy (ii) Single Premium Policy
(iii) Annual Policy (iv) Salary savings Scheme Policy
- 5 Average clause is a fire policy _____.
(i) Average the claim on the different policies taken by the insured.
(ii) Insures the property at average premium paid for the three years.
(iii) Insures the property at the average rate of premium recovered during the last year only.
(iv) Penalizes under-insurance.
- 6 Marine Insurance is a contract of _____.
(i) Increment (ii) Indemnity
(iii) Maturity (iv) None
- 7 _____ committee suggested the re-opening up of the insurance sector to private players.
(i) K. N. Malhotra (ii) R. N. Malhotra
(iii) Narasimham (iv) Goyal
- 8 The Indian Insurance Industry is governed by
(i) Insurance Act – 1978
(ii) General Insurance Business (Nationalisation) Act, 1972
(iii) Life Insurance Corporation Act, 1956 and IRDA Act, 1999
(iv) All of these
- 9 A Surveyor's role includes:
(i) Checking the admissibility of the loss (ii) Quantification of the loss
(iii) Reporting major losses to IRDA (iv) Giving comments on the loss

Cont...

- 10 _____ in the insurance are just like the retailers of any consumer product who help in selling and distributing the product.
- | | |
|---------------|---------------------|
| (i) Surveyors | (ii) Loss assessors |
| (iii) Agents | (iv) Banks |

SECTION - B (35 Marks)

Answer ALL Questions

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

- 11 (a) Compare Risk with Uncertainty.
(OR)
(b) Explain scope of insurance.
- 12 (a) State the advantages of Key-man Insurance Policy.
(OR)
(b) List out the Objectives of Life Insurance Marketing.
- 13 (a) Summarise the subject matter of Fire Insurance.
(OR)
(b) Explain the elements of Marine Insurance.
- 14 (a) Write Short note on Indian Insurance Industry.
(OR)
(b) Explain the concept of Reinsurance.
- 15 (a) Explain the different ways to distribute the insurance products.
(OR)
(b) Explain the importance of insurance market.

SECTION - C (30 Marks)

Answer any THREE Questions

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

- 16 Narrate the principles of insurance.
- 17 Discuss the elements of Life Insurance Marketing Mix.
- 18 Elucidate the various Marine Insurance Policies.
- 19 Discuss the powers and functions of IRDA.
- 20 Explain the role of insurance intermediaries in insurance business in India.

Z-Z-Z

END