



PJ – 548

III Semester M.Com. (FA) Examination, January 2019  
(CBCS)  
Paper – 3.4 : INSURANCE AND RISK MANAGEMENT

Time : 3 Hours

Max. Marks : 70

**Instruction :** Answer all Sections.

SECTION – A

1. Answer any 7 questions. Each question carries 2 marks. (2×7=14)

- a) Define risk.
- b) What is insurance ?
- c) What is Physical Hazard ?
- d) What is a certificate of Insurance ?
- e) What is a cover note ?
- f) What do you understand by IRDAI ?
- g) Who is an Insurance Ombudsman ?
- h) What is a proposal ?
- i) What is a solatium fund ?
- j) What is presumption of Death ?

SECTION – B

Answer any 4 questions. Each question carries 5 marks. (4×5=20)

2. Explain the importance of Insurable Interest.
3. All contracts of Insurance are contracts of utmost good faith. Do you agree ? Explain.

P.T.O.



4. All Insurance contracts are contracts of Indemnity. Do you agree ? If so, explain with exceptions and modifications.
5. Explain various methods of risk management.
6. Describe the kinds and contents of a mortality table.
7. Write a note on group Insurance schemes.

SECTION – C

Answer **any three** questions of the following. All questions carry **equal** marks.

(3×12=36)

8. What are the different methods of valuation ?
9. What are the powers, functions and duties of IRDAI ?
10. Explain the role of underwriting in Insurance business. What factors do you consider for underwriting ?
  - a) Life proposal
  - b) Fire Insurance proposal
  - c) Marine Cargo proposal.
11. a) What do you mean by 'Fire' under a standard fire policy ?  
b) What the risks covered under a standard fire policy ?
12. a) What are the risks covered under a ICC 'B' cover ?  
b) What additional risks that can be covered at an additional premium ?



PG – 710

III Semester M.Com. (F&A)/M.F.A. Examination, January 2018  
(CBCS) (Semester Scheme)  
Paper – 3.4 : INSURANCE AND RISK MANAGEMENT

Time : 3 Hours

Max. Marks : 70

SECTION – A

1. Answer briefly **only 7** questions. **Each** question carries **2** marks. (7×2 = 14)
- Discuss pure and Speculative Risk.
  - What is proximate cause ?
  - Explain Life Insurance money back policies.
  - Discuss non-life accident policies.
  - State the difference surrender value and paid-up value.
  - Explain the principles of e-marketing.
  - What is mortality table ?
  - Distinguish void agreements from void contracts.
  - Define the term bancassurance.
  - Explain the concept of reinsurance.

SECTION – B

- Answer **any 4** questions. **Each** question carries **5** marks. (5×4 = 20)
- What do you understand by Risk Management and explain its techniques.
  - Discuss the principles for developing Life Insurance Product development.
  - Explain the various group insurance policies.
  - "The agents are also called as the first line (or) primary underwriters". Comment.
  - Discuss the need and significance of social insurance in India.

P.T.O.



7. Write short notes on **any two** of the following :
- a) Third party administrators.
  - b) Insurance agents.
  - c) Surveyors and assessors.

**SECTION – C**

Answer **any three** questions. Each question carries 12 marks. **(3×12 = 36)**

- 8. What is a contract of insurance and state the various types of insurance contracts ?
- 9. "A fire insurance is a contract of indemnity". Comment.
- 10. Describe the important methods of rate determination in underwriting.
- 11. Answer the following :
  - a) Micro insurance products.
  - b) On-line marketing.
- 12. Explain the IRDA regulation relating to claim settlement.



PG – 597

III Semester M.Com. (F.A.)/M.F.A. Examination, Jan. 2017  
(CBCS) (Semester Scheme)  
COMMERCE

Paper – 3.4 : Insurance and Risk Management

Time : 3 Hours

Max. Marks : 70

SECTION – A

1. Answer briefly **any 7** questions. **Each** question carries **2** marks. (2×7=14)
- What do you mean by 'Risk' ?
  - Define insurance.
  - What is moral hazard ?
  - What is money back plan ?
  - What is a cover note ?
  - What is certificate of insurance ?
  - What is warranty ?
  - Define proximate cause.
  - What is third party insurance ?
  - What is whole life insurance ?

SECTION – B

- Answer **any 4** questions. **Each** question carries **5** marks. (5×4=20)
- Write a note on the importance and various methods of risk management.
  - What do you mean by insurable interests ? What are its various forms ? State its importance.
  - 'All contracts are contracts of Indemnity'. Do you agree ? If so why ? Discuss with its exceptions, if any.
  - What are the risks covered under marine cargo ICC 'B' cover ?
  - Write a note on distribution of bonus.
  - Write a note on Consumer Protection Act 1986.

P.T.O.



Answer **any 3** questions. **Each** question carries **12** marks. **(12x3=36)**

8. a) What do you mean by 'Fire' under a fire policy of insurance.  
b) What are the various points covered under a standard fire insurance policy ?
9. Discuss the importance of utmost good faith in insurance.
10. What are the powers and functions of IRDA Act 1999 ?
11. What do you mean by underwriting of Insurance Policies ?  
Pl. discuss what details are necessary for underwriting.
  - i) a fire policy
  - ii) a life insurance policy
  - iii) a marine cargo insurance policy.
12. M/s Lokesh Industries have taken out a fire declaration insurance policy in respect of their stocks of raw materials. Semi finished product and finished products for a period of one year w.e.f. 1-4-2015.

The following are the 12 declarations received during the year. Please work out the additional premium payable or refund of premium allowed under the policy based on the following details.

Sum insured : Rs. 80,00,000/-

Rate of premium : Rs. 1.00 per thousand

Basis : Declaration basis.

Declarations are :

	<b>Rs.</b>
1. April 2015	65,00,000
2. May 2015	75,00,000
3. June 2015	85,00,000
4. July 2015	65,00,000
5. Aug 2015	80,00,000
6. Sept. 2015	95,00,000
7. Oct. 2015	1,20,00,000
8. Nov. 2015	1,30,00,000
9. Dec. 2015	1,20,00,000
10. Jan. 2016	1,45,00,000
11. Feb. 2016	1,50,00,000
12. March 2016	1,66,00,000

(Hint – In calculating the risk covered used the principle.

Amount covered = Declared amount – sum insured)



PG – 698

**III Semester M.F.A. Degree Examination, Jan. 2017  
(Semester Scheme) (Repeaters)  
FINANCE AND ACCOUNTING  
Paper – 3.6 : Insurance and Risk Management**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

Answer **any ten** of the following sub-questions. **Each** sub-question carries 2 marks.

**(10×2=20)**

1. Briefly explain the following to bring out their meaning :
  - a) Bottomry Bonds
  - b) Actuary
  - c) Riders
  - d) Liens
  - e) ICC clauses
  - f) Term assurance
  - g) Open cover
  - h) Proximate cause
  - i) Annuity
  - j) Extra premium
  - k) Hit and run accident
  - l) Utmost good faith

**SECTION – B**

Answer **any three** of the following in about **one** page. **Each** question carries 5 marks.

**(3×5=15)**

2. What is valuation and methods of valuation ?
3. What is a mortality table, kinds, uses and columns ?
4. What is underwriting and methods of underwriting ?
5. Discuss product development.
6. Briefly outline history of insurance.

P.T.O.



## SECTION – C

Answer **any two** of the following in **3** pages. **Each** question carries **15** marks.

(2×15=30)

7. Explain the quotation “Risk management is the job of the top management”.
8. Discuss relationship between indemnity, subrogation and contribution.
9. How is group insurance different from traditional plans of insurance ? Discuss various group insurance schemes.
10. Explain provisions of Insurance Act, 1938.

## SECTION – D

(Compulsory)

(1×15=15)

11. a) Discuss “Non-forfeiture regulations” under a life policy.

- b) Calculate surrender value, given :

Sum assured ₹ 2,00,000

Term 20 years

Plan : Endowment with profits

DOC 28-06-2011 Mode : quarterly

LPP 28-09-2013 Premium : ₹ 11,605

Bonus accumulated ₹ 1,60,000

SV factor 59.6%

---





**III Semester M.F.A. Degree Examination, January 2016**  
**(Semester Scheme)**  
**FINANCE & ACCOUNTING**

**3.6 : Insurance and Risk Management**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

1. Answer **any ten** of the following briefly. **(10x2=20)**

- a) What is an early claim ?
- b) Define indemnity.
- c) Define warranty.
- d) Cover note - its importance.
- e) Name parts of a policy document.
- f) Expand the following :  
ELSS, COPA, ULIP, IRDA.
- g) What is presumption of death ?
- h) What is social insurance ?
- i) What is speculative risk ?
- j) What do the following symbols represent ?  
 $l_x, p_x, q_x, d_x$ .
- k) What is assignment of a policy ?
- l) What is salary savings scheme ?

P.T.O.



## SECTION – B

Answer **any three** of the following, **each** question carries **5** marks : **(3×5=15)**

2. Discuss the importance of utmost good faith in insurance.
3. Discuss different methods of valuation.
4. Explain the benefits under a money back type of plan.
5. What are the guidelines/regulations of IRDA relating to claim settlement ?
6. Discuss relationship between indemnity, subrogation and contribution.

## SECTION – C

Answer **any two** of the following, **each** question carries **15** marks : **(2×15=30)**

7. What is numerical underwriting and its advantages ?
8. Write short notes on :
  - a) Hit and Run accident.
  - b) Distribution channels.
  - c) Accident and disability benefits.
9. Discuss methods of risk management.
10. a) Discuss methods of revival.
  - b) State requirements for revival of a lapsed policy.
  - c) Calculate arrears of premium payable in the following example  
Date of application for revival : 20-12-2014 rate of interest 9% p.a. simple interest  
DOC 15-09-2009  
Last premium due paid 15-09-2011  
Mode half-yearly  
Sum assured Rs. 1,00,000  
Hlf. premium Rs. 2,600
  - d) What would be the benefits under the policy, if it is not revived ?





SECTION - D

Compulsory :

(1×15=15)

11. a) Describe the different kinds of premium.

b) Calculate office premium given the following :

i) One year term assurance

ii) Sum assured ₹ 3,00,000

iii) Age 31 years.

iv) Single premium.

v)  $l_{30}$  980776

$l_{31}$  979462

$l_{32}$  978101

vi) Initial expenses  $\frac{l}{a}$  = 9% of risk premium

Renewal expenses  $\frac{r}{a}$  = 3.2% of risk premium

Bonus loading = 0.09/per 1000 SA

Contingency loading = 0.036/per 1000 SA

Constant = 0.004/per 1000 SA



PG – 767

**III Semester M.F.A. Degree Examination, December 2013/January 2014**  
**(Semester Scheme)**  
**Finance and Accounting**  
**Paper – 3.6 : INSURANCE AND RISK MANAGEMENT**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

Answer **any ten** of the following sub-questions, write about the following in **4-6 lines each**. **(10×2=20)**

1. a) Define Marine Insurance.
- b) Occupational hazard.
- c) What is Solatium Fund ?
- d) Mention IRDA regulations relating to delayed settlement of claims.
- e) What are ICC clauses and to which branch of Insurance they apply ?
- f) What is the relationship between 'Peril' and 'Risk' ?
- g) Expand GIBNA; G.S.V; IRDP ; ELSS.
- h) Explain columns of a mortality table.
- i) Joint life plan for husband and wife.
- j) Which type of Insurance plans cover 'risk of dying too early' ?
- k) What is the importance of first premium receipt ?
- l) What is fidelity guarantee ?

**SECTION – B**

Answer **any three** of the following. **Each** question carries **5** marks. **(3×5=15)**

2. Define premium and methods of computing premiums.
3. Explain types of health insurance.

P.T.O.



4. Describe the provisions of IRDA Act, 1999.
5. What is meant by deferred date and vesting date in children policies ?
6. Briefly outline history of Insurance.

## SECTION – C

Answer **any two** of the following in about **3 pages each**.

(2×15=30)

7. Write short notes on :
  - i) Third party liability Insurance
  - ii) Ombudsman
  - iii) Co-insurance and contribution.
8. Discuss Indemnity-methods of Idemnification and its limitations with examples.
9. What is the need for underwriting in Life Insurance ? Explain various factors considered before accepting a proposal.
10. Discuss provisions of Insurance Act, 1938.

## SECTION – D

**Compulsory.**

(1×15=15)

11. a) Discuss Non-forfeiture regulations under a life policy.
- b) Calculate surrender value given

Sum assured	₹ 2,00,000
Term	20 years
Plan	Endowment with profit
Doc 28-06-2001	Mode Quarterly
Lpp 28-09-2013	Premium ₹ 11,605
Bonus accumulated	₹ 1,60,000
SV factor 59.6%	



PG – 767

**III Semester M.F.A. Degree Examination, December 2013/January 2014**  
**(Semester Scheme)**  
**Finance and Accounting**  
**Paper – 3.6 : INSURANCE AND RISK MANAGEMENT**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

Answer **any ten** of the following sub-questions, write about the following in **4-6 lines each**. **(10×2=20)**

1. a) Define Marine Insurance.
- b) Occupational hazard.
- c) What is Solatium Fund ?
- d) Mention IRDA regulations relating to delayed settlement of claims.
- e) What are ICC clauses and to which branch of Insurance they apply ?
- f) What is the relationship between 'Peril' and 'Risk' ?
- g) Expand GIBNA; G.S.V; IRDP ; ELSS.
- h) Explain columns of a mortality table.
- i) Joint life plan for husband and wife.
- j) Which type of Insurance plans cover 'risk of dying too early' ?
- k) What is the importance of first premium receipt ?
- l) What is fidelity guarantee ?

**SECTION – B**

Answer **any three** of the following. **Each** question carries **5** marks. **(3×5=15)**

2. Define premium and methods of computing premiums.
3. Explain types of health insurance.

P.T.O.



4. Describe the provisions of IRDA Act, 1999.
5. What is meant by deferred date and vesting date in children policies ?
6. Briefly outline history of Insurance.

## SECTION – C

Answer **any two** of the following in about **3 pages each**.

(2×15=30)

7. Write short notes on :
  - i) Third party liability Insurance
  - ii) Ombudsman
  - iii) Co-insurance and contribution.
8. Discuss Indemnity-methods of Idemnification and its limitations with examples.
9. What is the need for underwriting in Life Insurance ? Explain various factors considered before accepting a proposal.
10. Discuss provisions of Insurance Act, 1938.

## SECTION – D

**Compulsory.**

(1×15=15)

11. a) Discuss Non-forfeiture regulations under a life policy.
- b) Calculate surrender value given
 

Sum assured	₹ 2,00,000
Term	20 years
Plan	Endowment with profit
Doc 28-06-2001	Mode Quarterly
Lpp 28-09-2013	Premium ₹ 11,605
Bonus accumulated	₹ 1,60,000
SV factor 59.6%	





**III Semester M.F.A. Examination, December 2015**  
**(Semester Scheme) (CBCS)**  
**Paper 3.4 : INSURANCE AND RISK MANAGEMENT**

Time : 3 Hours

Max. Marks : 70

**Instruction :** Answer all Sections.

**SECTION – A**

Answer any 7 sub-questions. Each sub-question carries 2 marks. **(2x7=14)**

1. a) Define Insurance.
- b) What is proximate cause ?
- c) Describe benefits of an annuity plan.
- d) What are the types of mortality tables ?
- e) What is physical hazard ?
- f) Differentiate between 'subject matter' and subject matter of insurance.
- g) How 'age nearer birthday' is calculated ?
- h) State the types of risk.
- i) State few provisions of IRDAI.
- j) What is MWP Act, 1874 ?

**SECTION – B**

Answer any 4 questions. Each question carries 5 marks. **(4x5= 20)**

2. Discuss methods of risk management.
3. What does the following Sections of Insurance Act, 1938 deal with ?

Sections : 38, 39, 113 and 114.

P.T.O.



4. Differentiate between nomination and assignment.
5. Discuss relationship between Indemnity, subrogation.
6. What is numerical underwriting ?
7. Why an insurance contract is called a contract of utmost good faith ? Explain.

## SECTION – C

Answer **any 3** questions. **Each** question carries **12** marks.

**(3×12= 36)**

8. Calculate surrender value given.

Sum assured ₹ 3,00,000

Mode	Half-yearly
Term	30 years
SV factor	38%
Premium	₹ 5,500
Bonus	₹ 80,000
LPP	10-09-2015
DOC	10-03-2000

9. Complete the following mortality table explaining relationship of each column.

Age x	$l_x$	$dx$	$qx$	$px$
24		17619		
25	9663007		0.00177	
26		16687		
27	9629216			0.99829
28		16342		
29				

10. What is a contract of Insurance ? In detail-provisions of Indian Contracts Act, 1872.
11. What is group insurance ? Discuss group insurance plans.



12. M/s Sham fabricators have taken a fire insurance policy on a Declaration basis in respect of their stocks of Raw materials, semi finished goods and finished goods. The sum insured is Rs. 50,00,000/- Policy is for one year from 1-4-2012. The rate of premium is Re1/- per miller.

The following are the values declared for 12 months. Please adjust the policy and calculate the additional premium or refund of premium as the case may be

	Rs.
April 2012	60,00,000
May 2012	70,00,000
June 2012	70,00,000
July 2012	80,00,000
August 2012	85,00,000
September 2012	95,00,000
October 2012	90,00,000
November 2012	100,00,000
December 2012	130,00,000
January 2013	115,00,000
February 2013	120,00,000
March 2013	125,00,000



III Semester M.F.A. Degree Examination, December 2014  
(Semester Scheme)

FINANCE AND ACCOUNTING

Paper – 3.6 : Insurance and Risk Management

Time : 3 Hours

Max. Marks : 80

**Instruction :** Answer all Sections.

SECTION – A

1. Answer **any ten** of the following sub questions, writing about **4-6 lines, each** : (10x2=20)

- a) What do you mean by Risk ?
- b) What do you understand by Insurance ?
- c) What do you understand by Moral Hazard ?
- d) What is a certificate of Insurance ?
- e) What do you understand by solvency margin ?
- f) What is a Proposal ?
- g) What is a Material fact ?
- h) What do you understand by 'ombudsman' ?
- i) What is 'COPA' ?
- j) What is solatium fund ?
- k) What is social insurance ?
- l) What do you understand by contribution ?

P.T.O.



## SECTION – B

Answer **any three** of the following. **Each** question carries **5** marks. **(3×5=15)**

2. What is Insurable Interest ? What are its various kinds ? Give examples.
3. Why are the Insurance policies are called “Policies of utmost goodfaith” ? Give example.
4. Why do we say the Insurance Policies of Indemnity ? Are there any exceptions ? Give example.
5. What do you mean by ‘Underwriting of a Risk’ ? What are the factors you keep in mind while you underwrite a ‘Risk’ ?
6. What are the perils covered under a standard fire policy ?

## SECTION – C

Answer **any two** of the following in about **3** pages **each** : **(2×15=30)**

7. Write a detailed note on Methods of Risk Management.
8. What are the functions and powers of IRDA ?
9. What are the Risks covered under ICC ‘B’ Clause ? What extraneous Risks can be covered under ICC ‘B’ Clause at an additional premium ?
10. Write a detailed note on various methods of Distribution of Bonuses.



SECTION - D

**Compulsory :**

(1×15=15)

M/s Vivek Industries Ltd., Bangalore took out a fire declaration policy in respect of their stocks of raw materials, semi finished products and finished products for a period of one year with effect from 1-4-2013. The following were the details of the declarations and the policy.

Sum Insured : Rs. 80,00,000/-

Premium : Rs. 2.50% (per miller)

Month	Amt. declared in Rs.
April 2013	85,00,000
May 2013	90,00,000
June 2013	95,00,000
July 2013	80,00,000
August 2013	75,00,000
September 2013	1,00,00,000
October 2013	1,20,00,000
November 2013	1,15,00,000
December 2013	1,35,00,000
January 2014	1,20,00,000
February 2014	No Decln.
March 2014	1,40,00,000

Please calculate the additional premium or the refund of premium allowable if any.



PG - 651

III Semester M.F.A. Degree Examination, November/December 2007  
(Semester Scheme)

FINANCE AND ACCOUNTING

Paper - 3.6 : Insurance and Risk Management

Time: 3 Hours

Max. Marks : 80

SECTION - A

Write a short note on ten of the following subquestions :

(10×2=20)

1. a) Risk
- b) Basic forms of insurance
- c) Underwriter
- d) Extra premium
- e) Selection
- f) Mortality table
- g) Average condition
- h) Proximate cause
- i) Lien
- j) IRDA Act 1999
- k) Motor insurance
- l) Group insurance

SECTION - B

Answer any three of the following:

(3×5=15)

2. Explain 'risk of dying too early' and 'risk of living too long'.
3. Explain relationship between indemnity and proximate cause.
4. Explain briefly history of life insurance in India.
5. What are the different techniques of risk management?
6. Explain the benefits of an annuity plan.

P.T.O.



SECTION - C

Answer any two of the following in about 3 pages each : (2x15=30)

7. Everyone is subject to two risks - 'Risk of living too long' and 'Risk of dying too early'. Indicate how these risks can be covered.
8. Indicate the nature of insurance contract and steps in its formation.
9. Marine insurance is 'life blood of trade' - explain.
10. Explain different types of liability insurance.

SECTION - D

11. Complete the following mortality table explaining the relationship of each column.

LIC mortality table 1970-73

Age x	$l_x$	$d_x$	$q_x$	$p_x$
30	980776	8314	.00134	0.99866
31	979462	1361	0.00138	0.99862
32	978101	1392	0.00142	0.99858
33	976711		.00155	0.99845
34		1609		
35	?			

$l_x =$  Prob of survival  
 $q_x$  Prob of death  
 $d_x =$  dead  
 $q_x =$  - living  
 $d_x = L_x - L_{x+1} + D$   
 $q_x = \frac{d_x}{L_x}$   
 $p_x = 1 - q_x = \frac{L_{x+1}}{L_x}$



PG – 767

**III Semester M.F.A. Degree Examination, December 2013/January 2014**  
**(Semester Scheme)**  
**Finance and Accounting**  
**Paper – 3.6 : INSURANCE AND RISK MANAGEMENT**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

Answer **any ten** of the following sub-questions, write about the following in **4-6 lines each**. **(10×2=20)**

1. a) Define Marine Insurance.
- b) Occupational hazard.
- c) What is Solatium Fund ?
- d) Mention IRDA regulations relating to delayed settlement of claims.
- e) What are ICC clauses and to which branch of Insurance they apply ?
- f) What is the relationship between 'Peril' and 'Risk' ?
- g) Expand GIBNA; G.S.V; IRDP ; ELSS.
- h) Explain columns of a mortality table.
- i) Joint life plan for husband and wife.
- j) Which type of Insurance plans cover 'risk of dying too early' ?
- k) What is the importance of first premium receipt ?
- l) What is fidelity guarantee ?

**SECTION – B**

Answer **any three** of the following. **Each** question carries **5 marks**. **(3×5=15)**

2. Define premium and methods of computing premiums.
3. Explain types of health insurance.

P.T.O.



4. Describe the provisions of IRDA Act, 1999.
5. What is meant by deferred date and vesting date in children policies ?
6. Briefly outline history of Insurance.

## SECTION - C

Answer **any two** of the following in about **3 pages each**.

(2×15=30)

7. Write short notes on :
  - i) Third party liability Insurance
  - ii) Ombudsman
  - iii) Co-insurance and contribution.
8. Discuss Indemnity-methods of Idemnification and its limitations with examples.
9. What is the need for underwriting in Life Insurance ? Explain various factors considered before accepting a proposal.
10. Discuss provisions of Insurance Act, 1938.

## SECTION - D

**Compulsory.**

(1×15=15)

11. a) Discuss Non-forfeiture regulations under a life policy.

- b) Calculate surrender value given

Sum assured	₹ 2,00,000
Term	20 years
Plan	Endowment with profit
Doc 28-06-2001	Mode Quarterly
Lpp 28-09-2013	Premium ₹ 11,605
Bonus accumulated	₹ 1,60,000
SV factor 59.6%	