



Roll No.

**PRESIDENCY UNIVERSITY  
BENGALURU**

**SCHOOL OF MANAGEMENT**

**MIDTERM EXAMINATION**

**Even Semester:** 2018-19

**Course Code:** FIN404

**Course Name:** Insurance and Risk Management

**Programme & Sem:** MBA IV Semester

**Date:** 00 February 2019

**Time:** 2 Hours

**Max Marks:** 40

**Weightage:** 20%

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**Instructions:**

(i)

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**Part A**

Answer both the Questions.

(2Qx5M=10)

1. What is 'Pure Risk' and 'Speculative Risk'? Give examples.
2. What is 'Grace Period' in Life Insurance? What is its significance?

**Part B**

Answer both the Questions.

(2Qx 7.5M=15)

3. Insurance contracts are said to be contracts of Indemnity. Explain.
4. What are the various methods of computing the life insurance requirement of an individual? Explain.

**Part C**

(1Qx15M=15)

5. Risk Control is one of the Techniques of managing risk. In this regard, explain the various aspects of Risk Control.





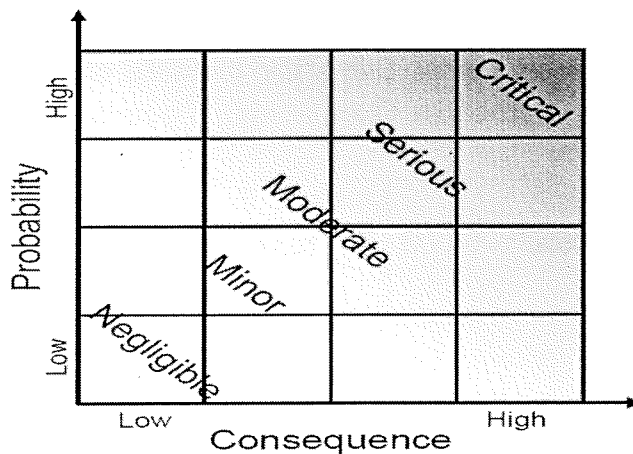
8. Explain briefly the following terms as relating to insurance:
- Aleatory Contract
  - Unilateral Contract
  - Contract of Adhesion
  - Personal Contract
9. Elucidate the role, objectives and functions of IRDA as the regulator of Insurance Markets.
10. Insurance is considered to be a push product. In this regard, explain the different channels of Insurance Sales.

### Part C

Answer the Question. Question carries **twenty** marks.

(1Qx20M=20)

11. There are different techniques of managing risk. The type of technique is said to depend upon the probability and consequence or impact of occurrence. In this regard, using the below Risk Matrix, explain in details with examples the various techniques of managing risk and when they are adopted.



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