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PRESIDENCY UNIVERSITY BENGALURU

SCHOOL OF MANAGEMENT

MIDTERM EXAMINATION

Even Semester: 2018-19

Date: 00 February 2019

Course Code: FIN404

Time: 2 Hours

Course Name: Insurance and Risk Management

Max Marks: 40

Programme & Sem: MBA IV Semester

Weightage: 20%

Instructions:

(i)

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.





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PRESIDENCY UNIVERSITY BENGALURU

SCHOOL OF MANAGEMENT

END TERM FINAL EXAMINATION

Even Semester: 2018-19

Date: 12 March 2019

Course Code: FIN404

Time: 3 Hours

Course Name: Insurance and Risk Management

Max Marks: 80

Programme & Sem: MBA & IV Sem

Weightage: 40%

Instructions:

(i) Read the questions and answer accordingly.

Part A

Answer all the Questions. Each question carries four marks.

(5Qx4M=20)

- 1. What is Underwriting? What is its role in Insurance Company Operations?
- 2. What are Personal Risks? What do they include?
- 3. What are Immediate Annuity Plans? What are the different variants of this Plan?
- 4. 'Principle of Subrogation supports the Principle of Indemnity'. Justify this statement.
- 5. Assume that a Warehouse is insured through a Fire insurance Policy from three (3) Insurance Companies as given below. Using the principle of Contribution, find the claim that will be settled by each of the Companies, if goods worth Rs 15,00,000 is destroyed through fire.

	Insurer A	Insurer B	Insurer C
Sum Insured Value	Rs 5,00,000	Rs 10,00,000	Rs 2,50,000
Claim to be paid	?	?	?

Part B

Answer **all** the Questions. **Each** question carries **eight** marks.

(5Qx8M=40)

- 6. It is often said that all risks are not insurable. In this regard explain briefly the common characteristics of Insurable Risks.
- 7. Mr Kulbhushan is aged 35 years and wants to insure himself against risks of ill health. He is new to insurance and has just heard that there are Health Insurance plans and Critical Illness Plans to cover the risk of ill health, but has no idea about benefits these plans provide. As a well-wisher, you are required to assist Mr Kulbhushan by clearly distinguishing between Health Insurance Plan and Critical Illness Plan.

- 8. Explain briefly the following terms as relating to insurance:
 - a) Aleatory Contract
 - b) Unilateral Contract
 - c) Contract of Adhesion
 - d) 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.


