

Roll No.

Total Pages : 3

704305

December 2022

MBA (E) FM-214 IIIrd Semester

RISK MANAGEMENT AND INSURANCE

Time : 3 Hours]

[Max. Marks : 75

Instructions :

1. *It is compulsory to answer all the questions (1.5 marks each) of Part-A in short.*
2. *Answer any four questions from Part-B in detail.*
3. *Different sub-parts of a question are to be attempted adjacent to each other.*

PART-A

1. (a) Define Legal Hazard. (1.5)
- (b) What is financial risk ? (1.5)
- (c) "A New car may be damaged in an auto accident."
Which technique will be used for handling this risk ? (1.5)
- (d) What are the two major differences between insurance and gambling ? (1.5)
- (e) What do you mean by underwriting ? (1.5)

- (f) Explain the pure Premium. (1.5)
- (g) Explain the principle of indemnity. (1.5)
- (h) What is a preferred risk policy ? (1.5)
- (i) Define the package policy. (1.5)
- (j) Explain the meaning of Bancassurance. (1.5)

PART-B

- 2. Briefly explain the different methods of handling risk with suitable examples. (15)
- 3. (a) List the major types of pure risk that are associated with great financial insecurity. (10)
- (b) Differentiate between objective probability and subjective probability. (5)
- 4. (a) Describe the steps involved in the settlement of a claim. (5)
- (b) Explain in detail the reinsurance and its various types. (10)
- 5. (a) Explain the requirement that must be met to form a valid insurance contract. (5)
- (b) Briefly explain the various principles in insurance. (10)

- 6. (a) Explain the role of IRDA in insurance sector. (10)
- (b) What are the different challenges of insurance marketing ? (5)
- 7. (a) Briefly describe the guidelines that consumers should follow when individual health insurance is purchased. (5)
- (b) Describe the major features of the uninsured motorists coverage (part c) in the PAP. (10)
- 8. Briefly explain the various types of life insurance. (15)