

Roll No.

Total No. of Pages : 02

Total No. of Questions : 10

M.Com. (Sem.-3)

**PRINCIPLES AND PRACTICES OF INSURANCE**

Subject Code : MCOPBI 322-18

M.Code : 76834

Date of Examination : 23-12-22

Time : 3 Hrs.

Max. Marks : 60

**INSTRUCTIONS TO CANDIDATES :**

1. SECTION-A contains EIGHT questions carrying TWO marks each and students has to attempt ALL questions.
2. SECTION-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consists of ONE Case Study carrying TWELVE marks.

**SECTION-A**

1. Answer briefly :
  - a) Define Insurance.
  - b) What is Insurable Interest?
  - c) Define Indemnity.
  - d) What is life Insurance?
  - e) What is Loss?
  - f) What is Claim?
  - g) What is Subrogation?
  - h) Types of natural disasters.

## SECTION-B

### UNIT-I

2. What is Insurance? Discuss its role and need.
3. What is Risk Aversion and Management? Discuss in detail.

### UNIT-II

4. Write a detailed note on the history and performance of LIC.
5. What are the major issues in Life Insurance and its management? Discuss.

### UNIT-III

6. Write a detailed note on the working of GIC.
7. Discuss different types of Fire Insurance policies.

### UNIT-IV

8. Explain the principles of health insurance in detail.
9. Discuss recent trends in Indian Insurance sector.

## SECTION-C

### 10. Read the following case and answer the questions:

It is believed that increase in Foreign Direct Investment (F.D.I.) is optimistic move for the future of Indian Life Insurance Sector, since this sector need huge amount of capital investment which can be done effectively only through increase in FDI and it enhances overall performance of insurance sector. Innovative insurance product and services, better use of technology, increase in employment and competition etc. are by-product of increase in F.D.I in insurance Sector. Government of India through Insurance Regulatory and Development Authority of India (I.R.D.A.I.) and Reserve Bank of India (R.B.I.) need to keep regular check on the outflow of Indian currency. India is growing economy and many consider it an attractive country for investment in mainly to its fast growing and changing insurance market. Indian insurance industry is still less penetrated and has huge growth potential. Foreign Direct Investment (F.D.I.) plays significant role in the economic development of the country.

### Answer the following questions:

- a. What is the central theme of the case study?
- b. Why the Indian insurance sector needs FDI?

**NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.**