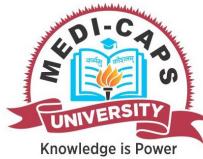


Enrollment No.....



Knowledge is Power

Faculty of Management Studies
End Sem Examination Dec 2024

MS3EF05 Insurance Practice & Principles

Programme: BBA

Branch/Specialisation: Management

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d. Assume suitable data if necessary. Notations and symbols have their usual meaning.

	Marks	BL	PO	CO	PSO
Q.1 i. What is the primary purpose of insurance?	1	1	10	5	
(a) Generate profits for insurance companies					
(b) Provide financial protection against potential losses					
(c) Lower taxes for policy holders					
(d) Guarantee investment returns					
ii. Which type of insurance provides coverage for medical expenses and healthcare costs?	1	1	9	4	
(a) Life Insurance					
(b) Property Insurance					
(c) Health Insurance					
(d) Liability Insurance					
iii. What are the regular payments made by policyholders to maintain their insurance coverage called?	1	1	7	5	
(a) Premiums	(b)	Deductibles			
(c) Claims	(d)	Co-payments			
iv. Insurance agents who represent multiple insurers and offer policy options from different providers are called-	1	1	6	4	
(a) Exclusive agents					
(b) Captive agents					
(c) Brokers					
(d) Independent agents					

	[2]		[3]	
v.	In the insurance industry, the process of investigating and determining the validity of claims is known as-	1 1 7 3	x. Which type of insurance policy provides coverage for a lifetime and includes a cash value component? (a) Term life insurance (b) Whole life insurance (c) Universal life insurance (d) Variable life insurance	1 1 7 5
	(a) Risk Assessment (b) Policy Underwriting (c) Claim Settlement (d) Actuarial Analysis			
vi.	Which type of insurance protects against property damage or loss, including home insurance and commercial property insurance?	1 1 7 3	Q.2 i. What is insurance? ii. What are the advantage of insurance? iii. Explain the classification of insurance products. OR iv. Explain the principle of insurance.	2 1 6 5 3 2 7 4 5 5 3 6 5
	(a) Life insurance (b) Health insurance (c) Auto insurance (d) Property insurance			
vii.	Which type of insurance policy combines both life insurance and investment components?	1 1 8 5	Q.3 i. What is the code of conduct for insurance agents? ii. What are different channels of distribution for insurance products? OR iii. What are the different types of insurance claims?	2 3 7 4 8 2 8 3 8 3 7 4
	(a) Term life insurance (b) Whole life insurance (c) Universal life insurance (d) Variable life insurance			
viii.	What does “Lapse” refer to in the insurance industry?	1 1 7 3	Q.4 i. What is insurance contract? ii. What are the principles and characteristics of insurance contract? OR iii. What is the process of forming insurance contract?	3 1 5 3 7 3 4 5 7 3 5 2
	(a) The process of policyholders surrendering their policies for cash value (b) The termination of an insurance policy due to non-payment of premiums (c) The process of policyholders upgrading their coverage (d) The termination of an insurance policy upon the death of the insured			
ix.	In life insurance, what is the “beneficiary”?	1 1 8 4	Q.5 i. What is life insurance? Explain with example. ii. What are the general principles of life insurance? OR iii. What are the types of life insurance plans? Explain in detail.	4 1 4 5 6 2 5 4 6 2 5 4
	(a) The insurance company providing coverage (b) The person who owns the policy (c) The person whose life is insured (d) The individual or entity receiving the policy’s death benefit			
			Q.6 Attempt any two: i. What are the principle of general insurance? ii. Explain the different types of general insurance. iii. What is the difference between general and life insurance explain with example?	5 1 7 4 5 2 5 3 5 3 4 3

Marking Scheme**MS3EF05 (T) Insurance Practice & Principles (T)**

iii. 5 (1 MARK FOR EACH POINT)

5

Q.1	i) Provide financial protection against potential losses ii) Health Insurance iii) Premiums iv) Brokers v) Claim Settlement vi) Property Insurance vii) Whole Life Insurance viii) The termination of an insurance policy due to non-payment of premiums ix) The individual identity receiving the policy death benefit x) Whole Life Insurance	1 1 1 1 1 1 1 1 1 1
Q.2	i. 2 POINT 1 MARKS EACH ii. 3 POINT 1 MARK EACH iii. 5 POINT 1 MARKS EACH	2 3 5
OR	iv. 5 POINTS 1 MARKS EACH	5
Q.3	i. 2 (1 MARKS EACH POINT) ii. 8 (1 MARKS EACH POINT)	2 8
OR	iii. 8 (1 MARKS EACH POINT)	8
Q.4	i. 3 (1 MARKS EACH POINT) ii. 7 (3 MARKS FOR PRINCIPLES AND 4 MARKS FOR CHARACTERISTICS)	3 7
OR	iii. 7 (1 MARKS FOR EACH POINT)	7
Q.5	i. 3 MARKS FOR LIFE INSURANCE 1 MARKS FOR EXAMPLE ii. 6 (1 MARKS FOR EACH POINT)	4 6
OR	iii. 6 (1 MARKS FOR EACH POINT)	6
Q.6	i. 5 (1 MARK FOR EACH POINT) ii. 5 (1 MARK FOR EACH POINT)	5 5