

- Q.20 What are the various types of fire insurance policies.  
Q.21 What does the Principal of Insurable interest say?  
Q.22 Write 4 problems to be faced under agricultural insurance.

### **SECTION-D**

**Note:** Long answer type questions. Attempt any two questions out of three questions. (2x8=16)

- Q.23 What do you mean by premium under life insurance. Explain the various factors that help in determining premium under life insurance.  
Q.24 Explain how various factors help in determining premium in case of fire insurance.  
Q.25 Write a detailed note on meaning and important provisions of Motor insurance in india.

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### **5th Sem / Finance, Accounts & Auditing Fundamentals of Insurance**

#### **Subject : Fundamentals of Insurance**

Time : 3 Hrs. M.M. : 60

### **SECTION-A**

**Note:** Multiple choice questions. All questions are compulsory (6x1=6)

- Q.1 One of the main benefits of Insurance is:  
a) Getting free services  
b) Financial protection in case of loss  
c) Earning money  
d) Avoiding risks completely
- Q.2 Which factor affects the premium for life insurance?  
a) Age of the person b) Favorite color  
c) Number of friends d) Type of vehicle
- Q.3 What is the role of the IRDA (Insurance Regulatory and Development Authority) under the IRDA Act 2000?  
a) To regulate the banking sector  
b) To control stock market operations

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- c) To regulate the insurance industry in India  
d) To manage agriculture policies
- Q.4** The principle of insurable interest means:
- a) The person should have a financial interest in the insured item
  - b) The insurer makes a profit
  - c) The person is not responsible for the item
  - d) The insurer pays extra benefits
- Q.5** What does a fire insurance policy cover?
- a) Damages caused by theft
  - b) Losses from floods
  - c) Financial losses from fire accidents
  - d) Loss of income
- Q.6** Marine insurance covers risks related to:
- a) Life events
  - b) Sea and water transport
  - c) Fire accidents
  - d) Health issues

### **SECTION-B**

**Note:** Objective/ Completion type questions. All questions are compulsory.  $(6 \times 1 = 6)$

- Q.7** The principle of indemnity allows the insured to make a profit from the insurance claim. (True/False)

- Q.8** A young and healthy person pays a higher premium for life insurance than an older or unhealthy person. (True/False)
- Q.9** The IRDA Act 2000 established the Insurance Regulatory and Development Authority in India to regulate the insurance sector. (True/False)
- Q.10** One of the benefits of insurance is that it provides financial support in times of unexpected loss. (True/False)
- Q.11** A fire insurance policy also covers losses caused by earthquakes. (True/False)
- Q.12** Marine insurance covers risks only during the sea journey and not on land transport. (True/False)

### **SECTION-C**

**Note:** Short answer type questions. Attempt any eight questions out of ten questions.  $(8 \times 4 = 32)$

- Q.13 Write 4 benefits of life insurance.
- Q.14 Explain how insurance act as social security tool.
- Q.15 Explain the various types of marine losses.
- Q.16 Explain what insurance councils are and how they help in insurance regulation.
- Q.17 What is the principle of Indemnity?
- Q.18 Explain the role of IRDA in India.
- Q.19 Explain the concept of term assurance.