

Roll No.-----

Paper Code		
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(To be filled in the OMR Sheet)		

प्रश्नपुस्तिका क्रमांक
Question Booklet No.

O.M.R. Serial No.

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प्रश्नपुस्तिका सीरीज
Question Booklet Series
B

B.Com. (Honors) (Fifth Semester)
Examination, February/March-2022
BCHO-503
Insurance & Risk Management
(for Regular Students)

Time : 1:30 Hours

Maximum Marks-100

जब तक कहा न जाय, इस प्रश्नपुस्तिका को न खोलें

- निर्देश : —
1. परीक्षार्थी अपने अनुक्रमांक, विषय एवं प्रश्नपुस्तिका की सीरीज का विवरण यथास्थान सही— सही भरे, अन्यथा मूल्यांकन में किसी भी प्रकार की विसंगति की दशा में उसकी जिम्मेदारी स्वयं परीक्षार्थी की होगी।
 2. इस प्रश्नपुस्तिका में 100 प्रश्न हैं, जिनमें से केवल 75 प्रश्नों के उत्तर परीक्षार्थियों द्वारा दिये जाने हैं। प्रत्येक प्रश्न के चार वैकल्पिक उत्तर प्रश्न के नीचे दिये गये हैं। इन चारों में से केवल एक ही उत्तर सही है। जिस उत्तर को आप सही या सबसे उचित समझते हैं, अपने उत्तर पत्रक (O.M.R. ANSWER SHEET) में उसके अक्षर वाले वृत्त को काले या नीले बाल प्वाइंट पेन से पूरा भर दें। यदि किसी परीक्षार्थी द्वारा निर्धारित प्रश्नों से अधिक प्रश्नों के उत्तर दिये जाते हैं तो उसके द्वारा हल किये गये प्रथमतः यथा निर्दिष्ट प्रश्नोत्तरों का ही मूल्यांकन किया जायेगा।
 3. प्रत्येक प्रश्न के अंक समान हैं। आप के जितने उत्तर सही होंगे, उन्हीं के अनुसार अंक प्रदान किये जायेंगे।
 4. सभी उत्तर केवल ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर ही दिये जाने हैं। उत्तर पत्रक में निर्धारित स्थान के अलावा अन्यत्र कहीं पर दिया गया उत्तर मान्य नहीं होगा।
 5. ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर कुछ भी लिखने से पूर्व उसमें दिये गये सभी अनुदेशों को सावधानीपूर्वक पढ़ लिया जाय।
 6. परीक्षा समाप्ति के उपरान्त परीक्षार्थी कक्ष निरीक्षक को अपनी प्रश्नपुस्तिका बुकलेट एवं ओ०एम०आर० शीट पृथक—पृथक उपलब्ध कराने के बाद ही परीक्षा कक्ष से प्रस्थान करें।
 7. निगेटिव मार्किंग नहीं है।
- महत्वपूर्ण : — प्रश्नपुस्तिका खोलने पर प्रथमतः जाँच कर देख लें कि प्रश्नपुस्तिका के सभी पृष्ठ भलीभाँति छपे हुए हैं। यदि प्रश्नपुस्तिका में कोई कमी हो, तो कक्ष निरीक्षक को दिखाकर उसी सीरीज की दूसरी प्रश्नपुस्तिका प्राप्त कर लें।

1. As the age increases risk on the life ____ .
 - (A) Increases
 - (B) Decreases
 - (C) Does not change
 - (D) Moderate
2. Foreign equity participation is allowed in insurance sector up to a limit of :
 - (A) 80 percent
 - (B) 74 percent
 - (C) 49 percent
 - (D) None of the above
3. ____ provides guidelines to decide whether the loss is caused by an insured peril or an expected peril.
 - (A) Indemnity
 - (B) Proximate clause
 - (C) Standard claims
 - (D) Trip sheet
4. ____ is concerned with the conversion of a firms asset and earning power against risks of accidental loss.
 - (A) Risk retention
 - (B) Risk control
 - (C) Risk management
 - (D) Risk identification
5. ____ is a contract between the insurer and the insured under which the insurer undertakes to compensate the insured for the loss arising from the risk.
 - (A) Insurance
 - (B) Agreement
 - (C) Indemnity
 - (D) Proximate clause

6. General Insurance includes :
- (A) Health insurance
 - (B) Motor insurance
 - (C) Marine insurance
 - (D) All of the above
7. The total number of branch offices of LIC is ____.
- (A) 950
 - (B) 1000
 - (C) 2048
 - (D) 800
8. The document which contains the terms and conditions of the life insurance contract is termed as the ____.
- (A) Cover note
 - (B) Life insurance policy
 - (C) Agreement
 - (D) Other document
9. The person to whom the policy proceeds will be paid in the event of the death of the insured is known as ____
- (A) Assignee
 - (B) Nominee
 - (C) Consignee
 - (D) Beneficiary
10. What is meant by a claim under an insurance policy ?
- (A) Any demand made by the policyholder on the insurer
 - (B) A demand to fulfil the policyholder's obligation
 - (C) A demand to fulfil the insurers obligations
 - (D) A demand to fulfil the third party

11. A type of insurance contract through which protection is given against loss of crop from risk is known as ____.
- (A) Fire insurance
 - (B) Crop insurance
 - (C) Marine insurance
 - (D) Automobile insurance
12. Which of the following types of insurance should insurable interest be present only at the time when policy is taken ?
- (A) Fire insurance
 - (B) Life insurance
 - (C) Marine insurance
 - (D) Life and marine insurance
13. The principle of contribution applies when ____.
- (A) The full amount of premium is not applied by the insured.
 - (B) There are two or more insurance on the risk.
 - (C) The insured insures the same risk policy with other insurers.
 - (D) The insured insures the same risk policy with different persons.
14. Paid-up value is payable on a life insurance policy ____.
- (A) On the maturity of the policy
 - (B) When the policy lapses
 - (C) When the policy is surrendered
 - (D) On maturity or death whichever is earlier
15. Insurance technique is based on the principle of ____.
- (A) Pooling system
 - (B) Compensating others
 - (C) Helping others
 - (D) Indemnity

16. The principle of _____ does not apply to life insurance.
- (A) Subrogation
 - (B) Utmost good faith
 - (C) Contribution
 - (D) Indemnity
17. The concept of insurance is _____.
- (A) To make money out of death
 - (B) To earn interest
 - (C) To earn a status
 - (D) To share losses by many
18. Term assurance provides the following benefits _____.
- (A) Death benefits if the person dies within term.
 - (B) Death and survival benefits
 - (C) Periodic payments at predictable intervals
 - (D) Death benefits with bonus
19. The premium is lowest for _____.
- (A) Money back policy
 - (B) Term insurance
 - (C) Whole life policy
 - (D) Endowment policy
20. The first Indian Insurance Act was passed in _____.
- (A) 1938
 - (B) 1985
 - (C) 1912
 - (D) 1956

21. When was IRDA Act passed ?
- (A) 1930
 - (B) 1956
 - (C) 1999
 - (D) None of the above
22. Headquarter of IRDA is situated in :
- (A) Delhi
 - (B) Hyderabad
 - (C) Mumbai
 - (D) None of the above
23. Composition of IRDA is given sec_____ of the Act.
- (A) Section 4
 - (B) Section 3
 - (C) Section 2
 - (D) None of the above
24. Marine Insurance includes :
- (A) Hull Insurance
 - (B) Freight Insurance
 - (C) Cargo Insurance
 - (D) All of the above
25. The period for Fire insurance policy is _____
- (A) 1 year
 - (B) 2 years
 - (C) 3 years
 - (D) None of the above

26. Which of the following is not a risk fit for insurance ?
- (A) Early death
 - (B) Early death in an accident
 - (C) Disability
 - (D) Natural wear and tear to an assets
27. _____ policy cover loss of gross profit sustained as a consequence of business interruption.
- (A) Loss of profit
 - (B) Loss of stocks
 - (C) Average clause
 - (D) Loss of fixed assets
28. Insured standing charges are the _____
- (A) Fixed charges
 - (B) Horizontal charges
 - (C) Fluctuating
 - (D) Current charges
29. A business takes a insurance policy to cover the claims for loss of stocks and loss of profit.
- (A) Fire
 - (B) Life insurance
 - (C) Car insurance
 - (D) Health insurance
30. The value of stock on the date of fire can be ascertained more precisely by preparation of a account.
- (A) Trading A/c
 - (B) Memorandum transaction A/c
 - (C) Balance sheet
 - (D) P and L A/c

31. If the value of insurance policy is 63000, stock on date of fire is 72000 and loss of stock is 54000 then the amount of claim for stock will be :
- (A) 47250
 - (B) 48250
 - (C) 26000
 - (D) None of the above
32. Motor insurance provides insurance cover to :
- (A) Private Vehicle
 - (B) Commercial Vehicle
 - (C) Motor Vehicle
 - (D) All of these
33. Insurance helps to :
- (A) Prevent adverse situations from occurring.
 - (B) Reduce the financial consequences of adverse situations
 - (C) Negate all consequences of adverse situations
 - (D) All of the above
34. The term 'Risk' includes :
- (A) Damage to machinery and property
 - (B) Impact on the health or life of a person
 - (C) Leakage of toxic products into the atmosphere
 - (D) All of the above
35. Which of the following intermediaries do not require IRDA's license/approval to operate in India ?
- (A) Insurance Brokers
 - (B) Insurance Agents
 - (C) Third Party Administrators
 - (D) All the above intermediaries require IRDA's license/approval

36. Compared to the premium for a whole life plan, the premium for an Endowment plan will be_____ for the same age .
- (A) Less
 - (B) The same
 - (C) Double
 - (D) More
37. Which of the following types of insurance is mandatory ?
- (A) Motor Own Damage
 - (B) Motor Third Party Legal Liability
 - (C) Personal Accident Insurance
 - (D) Professional Liability
38. _____ principle in insurance mention the cause of loss must be direct in order to claim for compensation.
- (A) Subrogation
 - (B) Causa proxima
 - (C) Indemnity
 - (D) Uberrima fides
39. is the first comprehensive legislation governed both life and non-life branches of insurance was enacted to provide strict state control over the insurance business in India.
- (A) Insurance Act-1938
 - (B) Insurance Act-1939
 - (C) Insurance Act-1940
 - (D) Insurance Act-1941

40. Objectives of IRDA includes :
- (A) Policy holder protection
 - (B) Healthy growth of the insurance market
 - (C) Both (A) and (B)
 - (D) Only (A)
41.is insurance companies tying up with banks to sell insurance products.
- (A) Franchising
 - (B) Merger
 - (C) Banc assurance
 - (D) Insuranced linked banking
42. Insurance provides security against :
- (A) Risk
 - (B) Losses
 - (C) Both (A) and (B)
 - (D) None of them
43. The is the party who agrees to compensate the other person against possible losses.
- (A) Insured
 - (B) Insurer
 - (C) Assured
 - (D) None
44. The things or property insured is called ____ of the insurance.
- (A) Subject matter
 - (B) Insurable interest
 - (C) Policy
 - (D) None

45. Insurable interest means ____ interest.
- (A) Individual
 - (B) Social
 - (C) Monetary
 - (D) All of these
46. Which of the following insurance contract is not based on the principle of indemnity ?
- (A) Fire insurance
 - (B) Marine insurance
 - (C) Life insurance
 - (D) All
47. A contract of insurance is a ____ agreement.
- (A) Contingent
 - (B) Constant
 - (C) Both
 - (D) None of these
48. Point out the loss that are not covered under Marine insurance.
- (A) Loss due to Bad weather
 - (B) Loss due to collision
 - (C) Loss caused by delay
 - (D) All of the above
49. Point out the damage not covered under Motor insurance policy :
- (A) Damage due to war
 - (B) Damage when person was driving without license
 - (C) Damage when person was driving in influence of alcohol
 - (D) All of the above
50. Risk involved in aviation insurance :
- (A) Engine Failure
 - (B) Bird Strike
 - (C) Lightening
 - (D) All of the above

51. Insurance is a _____.
(A) Contract
(B) Uncertainty
(C) Peril
(D) Hazard
52. Insurance is best suited to risk with _____.
(A) High frequency and low loss severity
(B) Low frequency and high loss severity
(C) Minimum frequency and no loss severity
(D) High frequency and high loss severity
53. The person whose risk is insured is called _____.
(A) Insured
(B) Merchandiser
(C) Marketer
(D) Agents
54. That which is designed to improve the information on which decisions are taken to reduce risk is _____.
(A) Transfer
(B) Research
(C) Costs
(D) Deflation
55. Uncertain events are broadly classified as _____.
(A) Predictable and Unpredictable
(B) Possible and Impossible
(C) Natural and Artificial
(D) Rare and Continuous

56. When was the General Insurance Council formed ?
- (A) 1956
 - (B) 1955
 - (C) 1957
 - (D) 1958
57. When was Triton Insurance Company Ltd established ?
- (A) 1850
 - (B) 1854
 - (C) 1857
 - (D) 1860
58. When was Life Insurance sector nationalized ?
- (A) 1955
 - (B) 1956
 - (C) 1958
 - (D) 1959
59. When was the Indian Mercantile Insurance established ?
- (A) 1905
 - (B) 1906
 - (C) 1907
 - (D) 1908
60. Which of the following is the predecessor of the IDRA Act, 1999 ?
- (A) The Insurance Act, 1938
 - (B) The Life Insurance Corporation Act, 1956
 - (C) The Marine Insurance Act, 1963
 - (D) None of the above

61. Insurance contract is sort of contract which is approved by :
- (A) The Indian Contract Act
 - (B) Indian Factory Act
 - (C) Indian Companies Act
 - (D) The Indian Finance Act
62. General Insurance Business was nationalized under :
- (A) General Insurance Business Nationalisation Act, 1971
 - (B) General Insurance Business Nationalisation Act, 1972
 - (C) General Insurance Business Nationalisation Act, 1973
 - (D) General Insurance Business Nationalisation Act, 1974
63. The Head office of National Insurance Co. Ltd, is _____ .
- (A) Mumbai
 - (B) Kolkata
 - (C) Bangalore
 - (D) Hyderabad
64. New Delhi is the head office of ____.
- (A) New India Assurance & Co. Ltd.
 - (B) United India Assurance & Co. Ltd
 - (C) Oriental Insurance Co. Ltd
 - (D) National Insurance Co. Ltd
65. The Head office of United India Insurance Co. Ltd, is :
- (A) Chennai
 - (B) Bangalore
 - (C) New Delhi
 - (D) Mumbai

66. The first company transacted insurance business was :
- (A) LIC
 - (B) GIC
 - (C) Indian Mercantile Insurance Company
 - (D) Oriental Insurance Company
67. The nationalization of insurance sector was taken over by _____companies.
- (A) 245
 - (B) 950
 - (C) 200
 - (D) 100
68. LIC was formed in 1956 through nationalization of ____companies.
- (A) 246
 - (B) 256
 - (C) 252
 - (D) 257
69. Those risks which are more than normal risk are called :
- (A) Super standard risk
 - (B) Substandard risk
 - (C) Both of the above
 - (D) Neither of them
70. Risk of mortality is considered to be :
- (A) More on male life
 - (B) More of female life
 - (C) Same on life of both
 - (D) All the above

71. Valuation in life insurance means :
- (A) The process of arriving at the profit of a life insurance company
 - (B) The process of determining the net premium for a life insurance policy
 - (C) The process of arriving at the bonus in a life insurance company
 - (D) The process by which the value of all the existing policies is ascertained in a life insurance company.
72. Notification of alteration in risk is a condition :
- (A) Precedent to liability
 - (B) Subsequent to liability
 - (C) Precedent to contract
 - (D) Subsequent to contract
73. Life insurance in its present form came to India from :
- (A) The United Kingdom
 - (B) The USA
 - (C) Canada
 - (D) Germany
74. Bombay Assurance Company was set up in :
- (A) 1824
 - (B) 1823
 - (C) 1800
 - (D) 1801
75. Life Insurance Corporation was formed with a capital contribution of :
- (A) Rs. 10 Crore
 - (B) Rs. 15 Crore
 - (C) Rs. 5 Crore
 - (D) Rs. 20 Crore

76. The term Assurance refers to :
- (A) Life Insurance Business
 - (B) Marine Insurance Business
 - (C) Fire Insurance Business
 - (D) Motor Vehicle Business
77. The policies where the premium is payable throughout the life of the assured is called_____.
- (A) Whole life policies
 - (B) Renewable term policies
 - (C) Sinking fund policies
 - (D) Annuity policies
78. The Insurer who grants a guarantee from the direct insurer is called as_____.
- (A) Direct Insurer
 - (B) Ceding Insurer
 - (C) Re-Insurer
 - (D) Double Insurer
79. The proportion of the risk which the direct insurer holds on his own account refers to _____.
- (A) Line
 - (B) Retention
 - (C) Retrocession
 - (D) Ceding insurer
80. When the same risk and subject matter is insured with more than one insurer is called as____?
- (A) Double insurance
 - (B) Over insurance
 - (C) Reinsurance
 - (D) External insurance

81. When the amount for which a subject matter is insured is more than its actual value is called_____?
- (A) Double insurance
 - (B) Over insurance
 - (C) Reinsurance
 - (D) Crop insurance
82. IRDA refers to _____
- (A) Indian Regulatory Development Authority
 - (B) Institute of Regulatory Development Authority
 - (C) Insurance Regulatory Development Association
 - (D) Insurance Regulatory Development Authority
83. Committee of reforms in insurance sectors during 1993 headed by :
- (A) R.N. Malhotra
 - (B) S. Narashiman
 - (C) Manmohan Singh
 - (D) P. Chidambaram
84. The danger of loss from the unforeseen circumstances in future refers to :
- (A) Perils
 - (B) Hazards
 - (C) Risk
 - (D) Damage
85. _____ involved those losses that occur even if there were no changes in the economic environment.
- (A) Dynamic risk
 - (B) Static risk
 - (C) Fundamental risk
 - (D) Particular risk

86. Risks are not suited to treatment by insurance refers to :
- (A) Static risk
 - (B) Property risk
 - (C) Dynamic risk
 - (D) Liability risk
87. Fundamental risk are generally :
- (A) Insurable
 - (B) None Insurable
 - (C) Partially Insurable
 - (D) None of the above
88. Unemployment, war, inflation, earthquakes etc., are the examples of :
- (A) Pure risk
 - (B) Fundamental risk
 - (C) Particular risk
 - (D) Personal risk
89. Any risk involved a situation where there is a possibility of gain refers to :
- (A) Liability risk
 - (B) Personal risk
 - (C) Pure risk
 - (D) Speculative risk
90. Direct of Consequential losses refer to ____.
- (A) Dynamic risk
 - (B) Particular risk
 - (C) Property risk
 - (D) Pure risk

91. Rashtriya Krishi Yojana of Crop Insurance Scheme came into India during ____.
- (A) 1999
 - (B) 1888
 - (C) 1988
 - (D) 1977
92. The organisation structure of LIC refers to ____.
- (A) Two-tier structure
 - (B) Four-tier structure
 - (C) Five-tier structure
 - (D) Three-tier structure
93. The constitution of the IRDA consists of not more than ____
- (A) 3 members
 - (B) 10 members
 - (C) 7 members
 - (D) 9 members
94. Insurance business is based on ____.
- (A) Newton's law
 - (B) The theory of probability and law of large numbers
 - (C) Parkinson's law
 - (D) Boyles law
95. The insurance plays a role in the economic development of the country in following ways ____.
- (A) Releases capital for new investments
 - (B) The job potential increases
 - (C) Money collected is invested in infrastructure
 - (D) All of the above

96. Group insurance is ideally suited for covering ____.
- (A) Affluent person in the society
 - (B) Weaker sections of the society
 - (C) Employer-employee groups
 - (D) Both (A) and (B)
97. Master policy is issued for ____.
- (A) Term insurance schemes
 - (B) Permanent insurance
 - (C) Group insurance schemes
 - (D) Individual policy
98. For the introduction of a group scheme, we need a ____.
- (A) Homogeneous group
 - (B) Insured group
 - (C) Small group of persons
 - (D) Large group
99. On the death of the bread-earner, two losses occur in the family one is loss of human life and the other is ____.
- (A) Earning power of family
 - (B) Loss of insurance
 - (C) Loss of investment
 - (D) Loss of bank deposits
100. The burden of proof of the loss within the scope of policy is upon the :
- (A) Insurer
 - (B) Insured
 - (C) Surveyor
 - (D) Defence Lawyer

Rough Work / रफ कार्य

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2. **This Question Booklet contains 100 questions, out of which only 75 Question are to be Answered by the examinee. Every question has 4 options and only one of them is correct. The answer which seems correct to you, darken that option number in your Answer Booklet (O.M.R ANSWER SHEET) completely with black or blue ball point pen. If any examinee will mark more than one answer of a particular question, then the first most option will be considered valid.**
3. Every question has same marks. Every question you attempt correctly, marks will be given according to that.
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