

4/H-76 (xi) (c) (Syllabus-2019)

2 0 2 3

(May/June)

COMMERCE

(Honours)

(Fundamentals of Insurance)

(BC-405)

(Under Revised Syllabus)

Marks : 75

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

1. Explain how insurance works as a risk management tool in modern business. Elaborate two types of insurance that help business. 7+8=15

Or

Why is insurance penetration in India very low? What measure would you suggest to increase penetration? 7+8=15

(2)

2. (a) What is a valid insurance contract?
What are the conditions to be fulfilled? 9
- (b) How does probability concept fit into
insurance business? Explain. 6

Or

- (a) What is the principle of subrogation?
How does it work? Explain with an
example. 9
- (b) Insurance works because of
cooperation. Elaborate. 6
3. An insurance agent needs to adhere a set of
codes of conduct. Explain them in detail. 15

Or

When does an insurance terminate?
Elaborate those situations of terminations
from the point of view of insurer and insured.

4. (a) Differentiate between a term life
insurance and an endowment life
insurance. 7
- (b) Describe the different types of marine
losses and fire losses covered under
insurance. 8

(3)

Or

- (a) What is moral hazard in insurance? 5
- (b) What are the features of a third-party
motor insurance? 10
5. Explain the provisions of the IRDA Act with
regard to the establishment of new general
insurance companies in private sector. 15

Or

Elaborate the scope and applications of the
Life Insurance Act, 1956.
