



# CBGS SCHEME

18MBAFM402

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## Fourth Semester MBA Degree Examination, Jan./Feb. 2023 Risk Management and Insurance

Time: 3 hrs.

Max. Marks:100

**Note:** 1. Answer any *FOUR* full questions from Q.No.1 to 7.  
2. Q.No. 8 is compulsory.

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.  
2. Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.

- 1 a. Distinguish between Pure and Speculative risk. (03 Marks)
- b. Discuss the requirements of an insurable risk. (07 Marks)
- c. Explain the Risk control and Risk financing techniques. (10 Marks)
- 2 a. What is loss forecasting? (03 Marks)
- b. Discuss the burden of risk. (07 Marks)
- c. Explain the various types of risk. (10 Marks)
- 3 a. Distinguish between annuity and life insurance. (03 Marks)
- b. Discuss the duties and powers of IRDAI. (07 Marks)
- c. Explain the classification of life insurance. (10 Marks)
- 4 a. What is general insurance? (03 Marks)
- b. Discuss the essentials of insurance contract. (07 Marks)
- c. Explain the important clauses in marine insurance. (10 Marks)
- 5 a. What is underwriting? (03 Marks)
- b. Discuss the types of marine insurance covers available in India. (07 Marks)
- c. Explain the process of settlement of claim in life and general insurance. (10 Marks)
- 6 a. Define Insurance. (03 Marks)
- b. Discuss the types of insurance organizations. (07 Marks)
- c. Explain the process of underwriting in life and nonlife insurance. (10 Marks)
- 7 a. Compare insurance with hedging. (03 Marks)
- b. Discuss the principles of Underwriting. (07 Marks)
- c. Explain the insurance market dynamics. (10 Marks)
- 8 Case Study (Compulsory) :

James and Emily are married and own an apartment in Sydney, Australia. Their son Jacob, attends college in London and lives in a student residence, near campus. Their daughter, Kelly, is a senior in high school. James is an accountant who works for a local accounting firm. Emily is a marketing analyst and is often away from home several days at a time.

The family's home contains household furniture, personal property, two computers and a laptop computer that Emily uses while traveling. The family also owns three cars. Jacob drives a 2010 Ford; James drives 2014 Pontiac for both business and personal use; and Emily drives 2015 Toyota and a rental car when she is travelling. Although the family owned their home for several years. They are considering moving because of the recent increase in crimes in their neighborhood.

Questions :

- a. Describe briefly the steps in the personal risk management process. (10 Marks)
- b. Identify the major pure risks or pure loss exposures to which James and Emily are exposed: (10 Marks)

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