

# CBCS SCHEME

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20MBAFM401

## 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 Q.No.7.  
2. Question No. 8 is compulsory.**

- 1 a. Define Risk. What are direct and indirect losses? (03 Marks)  
b. Explain the various risk management tools. (07 Marks)  
c. Explain the various types of Business Risk Exposures. (10 Marks)
- 2 a. Differentiate between Pure Risk and Speculative Risk. (03 Marks)  
b. Illustrate the Pooling arrangement for diversification of risk, with the help of an example. (07 Marks)  
c. Analyse the objectives of risk financing technique. What are the methods of financing losses? (10 Marks)
- 3 a. Differentiate between Insurance and Gambling. (03 Marks)  
b. Illustrate the characteristics of Insurance. (07 Marks)  
c. Analyse the essentials of Insurance Contract. (10 Marks)
- 4 a. Define Unit Linked Insurance Plan. (03 Marks)  
b. Explain features of Life Insurance. (07 Marks)  
c. Analyse the types of Life Insurance policies on the basis of time, premium payment , claim amount , number of persons insured. (10 Marks)
- 5 a. What are the general guidelines for settlement of claims? (03 Marks)  
b. Explain the different types of Motor Insurance Policies. (07 Marks)  
c. Elaborate the various clauses in Marine Insurance. (10 Marks)
- 6 a. What are the objectives of Underwriting? (03 Marks)  
b. Analyse the types of Insurance Organisations. (07 Marks)  
c. Explain the documents repaired for processing the claims in Motor Insurance. (10 Marks)
- 7 a. State the difference between Perils and Hazards. (03 Marks)  
b. Explain the features of Standard Fire Insurance Policy. (07 Marks)  
c. Analyse the duties and powers of Insurance Regulatory and Development Authority. (10 Marks)
- 8 Compulsory :

Swift Corporation has 3000 sales representatives and employees in India who drive company cars. They are into sale of ladders that are used by construction companies. The company could be sued if the ladder is defective and someone is injured. Because of cost of product, liability insurance is increasing and the risk manager is considering non – insurance techniques of risk control.

- a. List out the types of risks in the above case. (05 Marks)
- b. Analyse the various non-insurance methods to handle risk. (05 Marks)
- c. Explain the steps in the Risk Management Process. (10 Marks)

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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.