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(3rd Semester)

COMMERCE

Paper No. : BC–307

(Principles and Practices of Insurance)

Full Marks : 75

Time : 3 hours

(PART : B—DESCRIPTIVE)

(*Marks* : 50)

The figures in the margin indicate full marks for the questions

Answer **all** questions

1. Describe in detail insurance as a social security tool.　　　　　10

OR

2. State briefly the importance of insurance. What are its uses to business community?

　　　　　　　　　　3+7=10

3. Explain in detail about the nationalisation of life insurance in India.   10

OR

4. Discuss the impact of reform of Indian Life Insurance.   10

5. Define insurance agent. Discuss the prerequisites for obtaining a licence.   3+7=10

OR

6. Explain in detail about the code of conduct for agents.   10

7. Describe in brief different types of endowment and term policies.   10

OR

8. What are the various conditions relating to continuation of policies?   10

9. Define marine insurance. Discuss the salient features of a contract of marine insurance.   3+7=10

OR

10. Define motor insurance. Discuss the basic principles of motor insurance.   3+7=10

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(3rd Semester)

COMMERCE

Paper No. : BC–307

(Principles and Practices of Insurance)

(PART : A—OBJECTIVE)

(*Marks* : 25)

The figures in the margin indicate full marks for the questions

Answer **all** questions

SECTION—A

(*Marks* : 10)

1. State whether the following statements are True or False : 1×5=5

    (a) The nationalisation of Life Insurance took place in 1952 when 245 Indian and foreign insurance and provident societies were first amalgamated and then nationalised.

    (   )

(b) In property insurance, only investment element exists.

(   )

(c) Under perils of sea, ordinary action of the winds and waves, ordinary wear and tear to the vessel, interest risk of the cargo are not included.

(   )

(d) Insurance of vessel and its equipments are included under hull insurance.

(   )

(e) The liability insurance covers the risks of third party, compensation to employees, liability of the automobile owner and reinsurance.

(   )

2. Choose the correct answer and place its code in the brackets provided : 1×5=5

(a) The life insurance contract provides elements of

   (i) protection

   (ii) protection and investment

   (iii) investment

   (iv) None of the above   [   ]

(b) Group insurance is a plan of insurance, which covers number of persons under a single policy called the

    (i) master policy

    (ii) single policy

    (iii) total policy

    (iv) None of the above   [   ]

(c) A licence issued by IRDA will be valid for

    (i) one year

    (ii) two years

    (iii) three years

    (iv) None of the above   [   ]

(4)

(d) The doctrine of subrogation is a corollary to the principle of indemnity and applies only to

  (i)   life

  (ii) fire and marine insurance

  (iii) fire

  (iv) None of the above   [   ]

(e) The business of life insurance in India in its existing form started in India in 1818 with the establishment of

  (i)   Bombay Life Assurance Company

  (ii) the Oriental Life Insurance Company in Calcutta

  (iii) Madras Equitable Life Assurance Society
                                            [   ]

SECTION—B

(*Marks* : 15)

3. Write short notes on the following in not more than 5 sentences each : 3×5=15

   (a) Principle of indemnity

(b) Unvalued policies

(c)   Whole-life policies

(d) Marine losses

(e) Reinsurance

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