

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA- SEMESTER - III-EXAMINATION- SUMMER-2023**

**Subject Code: 4539223****Date: 22/06/2023****Subject Name: Insurance and Risk Management****Time: 02:30 PM TO 05:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make Suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

**Q.1 Explain following terms:****14**

- a) Term Policy
- b) Risk Transfer
- c) Life Insurance
- d) Insurable Risk
- e) Underwriting
- f) ALM
- g) Whole life plan

**Q.2(a) Describe in detail the process of Risk management.****07****(b) Explain meaning and types of Risk.****07****OR****(b) What is the financial aspect of insurance companies?****07****Q.3(a) Define the Marine Insurance. Discuss various types of marine insurance policies along with the principles in marine insurance contract.****07****(b) What is the role of IRDA in insurance?****07****OR****Q.3(a) Discuss different types of claims and the procedure to settle those claims.****07****(b) "Underwriting is the heart of insurance operations" explain the statement in detail.****07****Q.4(a) According to the features of policy, fire insurance policy gives various benefits. Discuss various types of fire insurance policy.****07****(b) What are the responsibilities of the insurance Manager?****07****OR**

- Q.4(a)** Discuss various financial objectives of insurance company. **07**
- (b)** What is Reinsurance? Discuss various techniques of Reinsurance. **07**

**Q.5 Read the following Case and answer:**

“Mr. X took a policy in February 2008. He died within two years, in August 2009. The insurer investigated the claim and found that he had consulted a doctor, and had taken medicine on various occasions in 2006, 2007 and 2008. In the proposal for the question: Have you within the past five years consulted any medical man for any ailment not necessarily confining to your house? The response given was ‘NO’. The insurer repudiated the claim alleging that the insured had deliberately suppressed facts about his illness which was a material fact. When the issue was taken to court, the insurer could prove that the insured had been taking medicines and injections but not that he was suffering from any particular disease. The doctor who gave evidence about the medicines taken also stated ‘the diseased was usually of neurasthenic type, that his condition was almost normal. Occasionally took medicines from him and used to make much fuss about even small ailments, and he would be quite upset over such small ailments., the judgment was in favour of the claimant.” Hyperchondria: an abnormal condition characterized by a depressed emotional state and imaginary ill health, referable to the physical condition of the body or one of its parts.

- (a)** Is it a case of non-disclosure of material facts by the insured? Explain the principles of insurance. **07**
- (b)** If yes, what made the court to decide the case in favour of the insured? **07**

**OR**

- Q.5(a)** What is the benefit of taking insurance? **07**
- (b)** Discuss the claim settlement procedure along with required documents in life Insurance.
- a. Maturity of Policy
  - b. Death of insured person **07**

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