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(FOR THE CANDIDATES ADMITTED

SUBJECT CODE **21UCF514**

DURING THE ACADEMIC YEAR 2021 ONLY)

REG.NO. :

**N.G.M.COLLEGE (AUTONOMOUS): POLLACHI**

**END-OF-SEMESTER EXAMINATIONS NOVEMBER - 2023**

**B.Com – FINANCE**

**MAXIMUM MARKS: 70**

**SEMESTER - V**

**TIME : 3 HOURS**

**PART – III**

**PRINCIPLES OF INSURANCE**

**SECTION - A**

**(10 X 1 = 10 MARKS)**

**ANSWER THE FOLLOWING QUESTIONS.**

1. The insurance is based upon principles of
  - a. Co-operation
  - b. probability
  - c. Charity
  - d. Both a and b
2. New Jana Raksha policy will be issued to
  - a. male lives only
  - b. female lives only
  - c. both a & b
  - d. Adults only
3. Who is not a party to the contract of reinsurance?
  - a. insured
  - b. original insured
  - c. reinsured
  - d. reinsurer
4. Warranties which are incorporated in the policy by reference is called
  - a. Implied warranties
  - b. Hidden warranties
  - c. Express warranties
  - d. Both a & b
5. ICC(A) deals with
  - a. identical
  - b. two cases
  - c. all risks
  - d. All of these

**ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES**

6. What is the main function of insurance?
7. write a note on 'single premium policy'.
8. What is meant by 'Annual Insurance'?
9. What is hull insurance?
10. Differentiate physical Hazard and moral hazard

**SECTION – B** **(5 X 4 = 20 MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.**

11. a) What are the primary functions of insurance?  
**(OR)**  
b) Write down the various principles of insurance.
12. a) What are the types of annuities based on income? **(COND..2)**

**(OR)**

b) Write any three assumptions underlying the calculation of premium.

13. a) Explain the methods of reinsurance.

**(OR)**

b) Discuss the features of fire insurance contract.

14. a) List the contents of marine insurance policy.

**(OR)**

b) Explain the factors to be considered for premium on cargo.

15. a) What are the risks involved in risk-based capital?

**(OR)**

b) What do you understand about period of Re-organization?

**SECTION - C**

**(4 X 10 = 40 MARKS)**

**ANSWER ANY FOUR OUT OF SIX QUESTIONS  
(16<sup>th</sup> QUESTION IS COMPULSORY)**

16. A consignment of apple in 400 cases was booked from Mumbai to New York and was insured for Rs.40,00,000. At the destination, it was noticed that

- (i) 120 cases were damaged by fire – Depreciation – 30%
- (ii) 40 cases were damaged by sea water – Depreciation – 50%
- (iii) 50 cases were found to be missing due to pilferage.
- (iv) 10 cases were lost overboard during discharge
- (v) 218 cases arrived sound, the survey fee was Rs.10,000.

Find claim amount if insurance is under ICC(A), ICC(B) & ICC(C).

17. Insurance is not a gambling and Charity - Comment.

18. Discuss the various forms of payment of surrender values.

19. Explain the various prevention activities to reduce fire waste.

20. Briefly explain the documents required at the time of claim.

21. Explain about some important insurance products.

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