

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA-SEMESTER-III-EXAMINATION-SUMMER-2025**

**Subject Code: 4539223**

**Date: 06/06/2025**

**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) Dynamic Risk
- b) Peril
- c) Fire Insurance
- d) TPA's
- e) Claim Management
- f) Underwriting
- g) ALM

**Q.2(a) Explain the risk management process.**

07

**(b) Define Risk. Explain the classification of risk in detail.**

07

**OR**

**(b) What is the importance of risk management for all people?**

07

**Q.3(a) List the various principles of insurance and discuss them in detail.**

07

**(b) Life insurance is essential for breadearner. Discuss various benefits of life insurance policy.**

07

**OR**

**Q.3(a) To secure and procure health one must have health insurance policy. Support your answer with Jeevan Aastha and Jeevan Deep policy.**

07

**(b) Discuss different types of claims and the procedure to settle those claims.**

07

**Q.4(a)** “Underwriting is the heart of insurance operations” Explain the statement in detail. 07

**(b)** What is reinsurance? Analysis role of Re-insurers any two techniques of reinsurance in detail. 07

**OR**

**Q.4(a)** “In GLOCAL time insurance industry faces many issues and challenges for development.” Do you agree with this statement? 07

**(b)** To evaluate insurance company financial performance, being an evaluator, which financial ratios will consider by you. Support your answer with hypothetical figures relating to ratios. 07

**Q.5 Case Study – Answer the following Question**

**Reliance General Insurance to focus on Fire, Engineering and Marine**

Reliance General Insurance is focusing more on fire, engineering and marine insurance segments as part of its plan to diversify product basket and achieve profitable growth, a top company official said. “We are focusing on commercial lines, fire, engineering and marine insurance, which are still untapped and more profitable than traditional segments. We are trying to grow these portfolios this fiscal,” Reliance General Insurance Chief Executive Rakesh Jain said. As per the company, while fire insurance accounts for 8 per cent of its total business, engineering segment contributes around 4 per cent, marine 2 per cent and others including commercial lines account for 6 per cent. Jain also said the company is reducing its dependence on motor insurance segment and plans to bring it down to below 60 per cent by the end of this financial year. “Our aim is to expand our presence in fire and engineering segments and increase their business contributions in the next couple of years,” he said, adding the company plans to increase health insurance contribution to 20 per cent from present 16 per cent. The general insurer also aims to come up with sector specific insurance products. “We are planning to devise sector -wise insurance schemes. We are in touch with people in cement, IT and power sectors and are working to create a more risk-based approach for different sectors,” Jain said. Reliance General, which is part of Reliance Capital, has posted 25 per cent increase in gross written premium to Rs.706 crore in the June quarter.

**[a]** Does Reliance General Insurance’s Current Business Strategy suitable to current market situation? 07

**[b]** Does Expansion strategy of the company works in real life? Explain your answer. 07

**OR**

**Q.5[a]** Company’s reduction in the motor insurance segment will be suitable for the future business growth? Justify. 07

**[b]** “Sector specific insurance products” Strategy is good or bad? Justify your answer. 07

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