

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER –III-EXAMINATION – WINTER-2022

Subject Code: 4539223**Date: 01 /02 / 2023****Subject Name: Insurance and Risk Management (IRM)****Time:10:30 AM to 1:30 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 the Following Terms 14**
1. Perils
 2. Static Risk
 3. Risk Transfer
 4. Insurable Risk
 5. Micro-health insurance
 6. General Insurance
 7. ALM
- Q.2 (a) What is Insurance? Explain Various types of Insurance 07**
- (b) Explain Power and Functions of IRDA 07**
- OR**
- (b) What is Re-insurance? Critically Explain the Role of Re-insurers 07**
- Q.3 (a) Explain Various Principles of Insurance 07**
- (b) Briefly Discuss the Role of Insurance Industry During the Pandemic Situation 07**
- OR**
- Q.3 (a) To evaluate insurance company financial performance, being an evaluator which financial ratios will consider by you. 07**
- (b) What is Health Insurance? Explain various Benefits of Health insurance 07**
- Q.4 (a) Explain Various Types of General Insurance offered in the Market 07**
- (b) Elaborate concept of underwriting. Which are requisites of good underwriting? 07**
- OR**
- Q.4 (a) Define Risk? Explain the classification of Risk in detail. 07**
- (b) How is Insurance different from hedging? Explain in Detail 07**

Read the following case and answer:

Q.5

“Mr. Manoj 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 answer with proper Justification **07**
- (b) If yes, what made the Court to decide the case in favour of the insured? **07**

OR

- (a) Explain the benefits of Taking Insurance in this case **07**
- (b) What is Claim Settlement? Explain the claim settlement Process in case of health Insurance **07**
