

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 600086
(For candidates admitted during the academic year 2020-2021 and thereafter)

B.COM. DEGREE EXAMINATION - APRIL 2024
HONOURS
FOURTH SEMESTER

COURSE : MAJOR – CORE
PAPER : INSURANCE AND RISK MANAGEMENT
COURSE CODE : 20BH/MC/IR44
TIME : 3 HOURS **MAX. MARKS: 100**

SECTION - A

Answer all the questions: **(10 x 2 = 20)**

1. Mention two key objectives of risk management.
2. Differentiate between financial risk and operational risk.
3. Explain the principle of utmost good faith and its significance in insurance contracts.
4. List two essential elements that constitute a valid insurance contract.
5. Mention two key steps involved in the claims settlement process for a life insurance policy.
6. State two advantages of having a life insurance policy.
7. Define reinsurance and state one key purpose it serves in the insurance industry.
8. Name two fundamental principles of general insurance.
9. Define enterprise risk management (ERM) in the context of insurance.
10. State two primary objectives of risk management.

SECTION – B

Answer any FIVE questions: **(5 x 8 = 40)**

11. Identify and describe three types of risks that organizations commonly face.
12. Describe the essential elements of an insurance contract.
13. Define the principle of Indemnity in insurance and its application.
14. Discuss two common types of life insurance plans and highlight their key characteristics.
15. Explain the underwriting process in life insurance and its significance in policy issuance.
16. Identify and explain two common channels of distribution for general insurance products.
17. Describe the main objectives of risk management and outline the basic steps in the risk management process.

SECTION – C

Answer any One question: **(1 x 20 = 20)**

18. Identify and describe the sources of risk in a business or project setting.
19. Discuss the legal aspects that govern insurance contracts and their implications.

20. Explain how Risk management methods help organizations adapt to changing environments. Illustrate your answer with real-world examples.

Compulsory Case Study:

(1 x 20 = 20)

21. ABC Life Insurance Company is a well-established insurance provider with a diverse portfolio of life insurance plans. The company is facing challenges in maintaining customer satisfaction, ensuring effective underwriting, and streamlining the claims settlement process. As a consultant hired to analyse and improve these aspects, address the following points:
- a. Identify and explain three key advantages of life insurance for policyholders.
 - b. Provide an overview of at least two types of life insurance plans offered by ABC Life Insurance Company, highlighting their distinctive features.
 - c. Analyse the challenges faced by ABC Life Insurance Company in policy servicing and propose two strategies for improvement.
 - d. Evaluate the claim settlement process at ABC Life Insurance Company, focusing on efficiency, transparency and customer satisfaction.
