

- (e) Critically analyze the impact of risk retention on an organisation's risk management strategy.
- (f) Explore the procedures involved in the settlement of insurance claims, highlighting the role of insurers, policyholders and other stakeholders.
- (g) Discuss the common types of exclusions in insurance contracts and their implications for insured parties.

4. Answer **any one** of the following questions :
10

- (a) Analyze the role of the Insurance Regulatory and Development Authority in promoting transparency, accountability and stability in the Indian insurance industry.
- (b) Explore the concept of risk retention and its implications for insurers, including its impact on financial stability, capital management, and underwriting strategy.

(Insurance and Risk Management)

1. Answer the following as questions : 1×5=5

- (a) Which of the following best defines the scope of insurance ?
 - (i) Transferring all risks to the insurer
 - (ii) Managing and mitigating specific risks
 - (iii) Eliminating all risks entirely
 - (iv) Exposing oneself to all risks without coverage
- (b) Reinsurance is a practice where
 - (i) insurers transfer a portion of their risk to other insurers
 - (ii) policyholders transfer their risk to government
 - (iii) insurers assume all risks themselves
 - (iv) policyholders assume all risks themselves
- (c) What is the primary function of a loss assessor in the insurance industry ?
 - (i) Assessing the credibility of insurance claims

- (ii) Determining the premium rates for policies
- (iii) Investigating the cause and extent of a loss
- (iv) Marketing insurance products to potential clients
- (d) Risk retention refers to
 - (i) transferring risk to another insurer
 - (ii) keeping all risks within the insured's organization
 - (iii) avoiding all risks entirely
 - (iv) transferring risk to the government
- (e) Which of the following is NOT a type of insurance contract term ?
 - (i) Premium
 - (ii) Deductible
 - (iii) Coverage limit
 - (iv) Exclusion

2. Answer **any five** of the following questions :
2×5=10

- (a) Explain the role of insurance in managing and mitigating risks.

(b) Write the importance of reinsurance in the insurance business.

(c) What are the key responsibilities of a loss assessor in the insurance sector ?

(d) Discuss the concept of insurable risk and provide an example.

(e) Explain the term 'exclusion' in an insurance contract and provide an example.

3. Answer **any five** of the following questions :
5×5=25

(a) Define the concept of insurance and explain various types of insurance with suitable examples.

(b) Discuss the functions and scope of life insurance, highlighting its significance in personal financial planning and risk management.

(c) Discuss how reinsurance helps insurers maintain financial stability and capacity to underwrite risks.

(d) Compare and contrast the roles of surveyors and loss assessors in the insurance claims process. Provide examples to illustrate their respective responsibilities and contributions.