



SDV – 17

M.Com. (Sem. – II) Examination, April 2012  
CO202 – INSURANCE MANAGEMENT

Duration: 2 Hours

Total Marks: 50

- Instructions :** 1) This paper consists of 5 questions carrying **equal marks, all of which are compulsory.**  
2) Question 1 carries **10 marks and consists of 5 sub-questions, all of which are compulsory.**  
3) Question 2, 3, 4 and 5 carry **10 marks each, with internal choice.**

1. Answer the following short questions :
- i) Why does an insurer need to have a large number of policy holders ? 2
  - ii) Briefly explain the powers of IRDA. 2
  - iii) Explain the concept of “adverse selection”. 2
  - iv) What is Professional Indemnity Insurance ? 2
  - v) What is the difference between surrender value and maturity value ? 2
2. a) Explain with a suitable example the concept of insurable interest. 10
- OR
2. x) What is actuarial valuation ? 10
3. a) Why is a Traditional Endowment Policy called a “with profits” or “participating” policy ? 10
- OR
3. x) Explain the differences between a Traditional Endowment Plan and an ULIP. 10
4. a) Explain the two phases of a Pension Plan ? 10
5. a) What are the salient features of a Medical Expenses Reimbursement (Mediclaime) policy ? 10
- OR
5. x) Describe the Rate Making process in Life Insurance. 10
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