OR

(C) Explain the principles of fire insurance. 7

(D) Due to falling price of Cotton in the market the warehouse owner who had bought and stored cotton in huge quantity was worried. Since he had got his stores insured against fire. He got an unfair idea. He ignited his warehouse causing huge, fire and burnt all its stores to ashes. He then approach the Fire Insurance Company which was insurer in this case for compensation that could save him from huge loss due to falling price. Can he get the compensation ? Suggest. 7

SECTION C

5. Farmers of Vidarbha region are badly hit due to drought like situations in the region since last five years. They knew that in some parts of the country particularly in Punjab Crop insurance Scheme has been launched which save's a lot from the hardship of the farmers. The farmers of Vidarbha started agitating for implementation of the agricultural insurance in this region. The Govt. and the insurance companies know that drought like situation in Vidarbha region is a perennial features and paying for the crop insurance would mean a certain loss

AR – 1247

Fourth Semester Master of Business Administration Examination

INSURANCE MANAGEMENT

Paper – MBA / 4106 / CGF

P. Pages : 5

Time : Three Hours]   [Max. Marks : 70

Note : (1) Attempt all questions.
       (2) Figures to the right indicate marks.

SECTION A

1. (A) Describe different concepts of insurance. Also explain the characteristics of insurance. 14

OR

(B) Discuss the essentials of insurance contract. How is insurance different from wagering ? 14

SECTION B

2. (A) Describe the meaning and definition of life insurance. 7

(B) Calculate the values of the blank spaces in the following portion of a mortality table.

Age in years	Number of Living Persons	Number of Deaths	Mortality Rate	Survival Rate
10	10,00,000	—	0.00409	—
11	—	—	0.00370	—
12	—	—	—	0.99653
13	—	—	—	0.99658
14	—	—	0.00342	—

7

OR

(C) Discuss the nature and features of life insurance. 7

(D) 5000 persons all aged 50 years are insured for Rs. 5,00,000 for one year. If the rate of mortality is 0.004. Calculate the net single premium assuring that the insurer earns no interest. 7

3. (A) Describe the classification of life insurance products on the basis of time. 7

(B) Find the probability of two persons L and M aged 30 year and 35 year respectively that both died after attaining the age of 55 years. Values given as per mortality table are l_{30} = 980776, l_{35} = 973550 and l_{55} = 876889. 7

OR

(C) Describe the various functions of Life Insurance Corporation of India. 7

(D) Find the probability of two persons X and Y aged 30 Years and 35 years respectively that both die after attaining the age of 60 years. Values given as per mortality table are l_{30} = 980776, l_{35} = 973550 and l_{60} = 811670. 7

4. (A) What is general insurance ? Discuss its different types. 7

(B) Some children playing crackers outside a building mischievously threw a few crackers on the nearby building. The building was insured against fire, incidently caught fire damaging it partly. Can the insured get compensation from the insurance company ? Give your suggestion. 7

to the insurer companies, however, it may save the farmers of the region from suffering from hunger and other hardships.

(a) If you are an executive of an insurance company. Should you go for awarding agricultural insurace in this case ? Why ?

7

(b) Will agricultural insurance in this case defy the basic principles of insurance ? Discuss.

7

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