

TELANGANA UNIVERSITY
S.S.R. DEGREE COLLEGE, NIZAMABAD (C.C:5029)
IV SEMESTER INTERNAL ASSESSMENT I EXAMINATIONS
Practice of life & General Insurance (sec) QUESTION BANK

I. Choose the correct answer.

10 X 1/2 = 5

1. Which one of the following does not belong to the main products of life insurance []
a) Term b) Whole life c) Endowment d) Personal accident insurance
2. Which one of the following does not belong to the major general insurance private sector companies in India ? []
a) Reliance General Insurance b) The Oriental Insurance Company
c) Bajaj Allianz General Insurance d) Royal Sundaram Alliance Insurance
3. When was Life Insurance sector nationalized ? []
a) 1947 b) 1951 c) 1956 d) 1959
4. When was the General Insurance Council formed ? []
a) 1955 b) 1956 c) 1957 d) 1958
5. When was the Insurance Regulatory and Development Authority constituted? []
a) 1971 b) 1999 c) 2001 d) 2005
6. IRDA stands for. []
a) Indian Rural Development Authority b) Insurance Regulatory and Development Authority
c) Insurance Rural Development Authority d) Insurance Revenue Development Authority
7. Provide the benefit to insured to claim from the insurer any loss incurred due to the negligence of third party. []
a) Principle of utmost good faith b) Principle of contribution
c) Principle of subrogation d) Principle of indemnity
8. The amendments made by IRDA in which of the following acts []
a) GIC Act, 1972 b) LIC Act, 1956 c) Both (a) & (b) d) MRTTP Act
9. The main purpose of is to prevent gambling and minimize the moral hazard. []
a) Subrogation b) Utmost good faith
c) Insurable interest d) Proximate cause
10. The facts that should not be disclosed by insured are []
a) Facts that minimize the risk b) Facts relating to public knowledge
c) Facts waived by insurer d) All the above

11. The process of identification of pure risk faced by an individual or family []
a) Individual risk management b) risk retention
c) avoidance d) loss control
12. It is an instrument by which a pure risk is transferred to a party other than an insurer []
a) Life insurance b) Non insurable transfer
c) insurable transfer d) None of the above
13. The party that accepts a portion of the potential obligation in exchange for a share of the insurance premium is known as []
a) Insured b) insurer
c) insurance contract d) Reinsurer
14. The probable number of losses that may occur during the given period of time []
a) Loss frequency b) loss servile
c) loss estimation d) loss potential
15. Pricing of Insurance and calculation of insurance premium is known as []
a) Reinsurance b) Securitization of risk
c) Rate making d) All the above
16. The primary insurer that initially writes the insurance is called the []
a) Insurance company b) portfolio
c) ceding company d) underwriter
17. Risk arising due to loss of eamed income to the family because of premature death of family head []
a) Potential risk b) Risk retention
c) Risk management d) None of the above
18. To investigate and confirm the cause of loss, assess the quantum of loss, determine the liability of the insurers is the duty of the []
a) Agent b) broker c) insurer d) surveyor
19. Insurance companies typing up with banks to sell insurance products. []
a) Bancassurance b) Pooling c) Risk retention d) Ceding company
20. IRDA stands for []
a) Insurance recharge developing authority
b) Insurance regulatory developing authority

c) Insurance regulatory and Development Authority

d) Insurance risk development authority

21. Which of the following are insurance intermediaries . []

a) Agents b) Brokers c) Insurance d) All the above

22. Which of the following are benefits of insurance to society . []

a) Reduce worries and fear b) Prevent losses c) Enhances credit d) All the above

23. The amendments made by IRDA in which of the following acts . []

a) GIC Act, 1972 b) LIC Act, 1956 c) Both (a) and (b) d) MRTP Act

24. Which of the following factors are considered by customer while purchasing an insurance policy

[]

a) Age b) Savings c) Policy premium d) All the above

25. The risky behavior of policy holder is , []

a) Ex-ante moral hazard b) Ex- post moral hazard

c) General moral hazard d) Frequent moral hazard

II. Fill in the blanks.

10 X1/2 = 5

11. LIC stand for _____

12. PLI stand for _____

13. ULIPs stand for _____

14. Example of LIC plan _____

15. Type of Health insurance _____

16. _____ is the pooling of for feitous losses by the transfer of risk of insured to insurer.

17. The process of identification and classification of the risks involved in insurance programme is called _____

18. The price paid by the policy holder for the insurance policy is referred as _____

19. The insurance that pays death benefits to the beneficiaries after the death of the insured is known as _____

20. IRDA plays a role of a _____ for the insurance industry in India.

21. The person or organization covered by an insurance policy is known as _____
22. The termination of an insurance policy because a renewal premium is not paid by the end of the grace period is known as _____
23. A written agreement attached to the policy expanding or limiting the benefits otherwise payable under the policy is called as _____
24. _____ is the person who reviews an application for insurance and decides, is the applicant is acceptable and at what premium rate.
25. _____ is a claim filed against another person's insurance policy.
26. A person who receives the payments from an annuity during his or her life is known as _____
27. _____ is a person who makes an insurance claim.
28. _____ is the printed legal document stating the terms of insurance contract that is issued to the policy owner by the company.
29. A Person to whom goods are entrusted for safe keeping is called _____
30. _____ is the involvement of banks in the traditional insurance market.
31. _____ is defined as the cause of loss.
32. TPA stands for _____
33. IRDA plays a role of a _____ for the insurance industry in India.
34. IRDA established a committee of 25 members which is known as _____
35. _____ is the amount paid to broker as a commission.