

B.COM
SIXTH SEMESTER
FUNDAMENTALS OF INSURANCE
BCM -26

[PART-A : Objective]

Choose the correct answer from the following:

1X20=20

1. Insurance works on the principle of:
 a. Sharing of losses
 b. Probabilities
 c. Randomness
 d. All of the above
2. Insurance helps to
 a. Prevent adverse situations from occurring
 b. Reduce the financial consequences of adverse situations
 c. Make assets continuously productive
 d. All of the above
3. The principle of _____ ensures that an insured does not profit by insuring with multiple insurers.
 a. Subrogation
 b. Contribution
 c. Indemnity
 d. None of the above
4. The principle of average applies when the value is _____ in the proposal
 a. Understand
 b. overstated
 c. negligible
 d. None of the above
5. Fidelity Guarantee policies cover losses due to fraud by
 a. employees
 b. Customers
 c. borrowers
 d. None of the above
6. Which one of the following does not belong to the main products of life insurance?
 a. endowment
 b. Personal accident insurance
 c. Term Life
 d. None of the above
7. The Oriental Insurance company was established in the year :
 a. 1818
 b. 1934
 c. 1907
 d. None of the above
8. When was Life Insurance Sector nationalized?
 a. 1956
 b. 1946
 c. 1936
 d. None of the above
9. IRDA was constituted in the year:
 a. 1999
 b. 1989
 c. 1979
 d. None of the above
10. The Central office of LIC is located at
 a. Kolkata
 b. New delhi
 c. Mumbai
 d. None of the above
11. Insurance business in India is regulated by:
 a. IRDA
 b. SEBI
 c. RBI
 d. None of the above
12. _____ is not a part of life insurance
 a. Endowment
 b. Term
 c. Priority
 d. None of the above
13. GIC was incorporated in the year
 a. 1971
 b. 1961
 c. 1951
 d. None of the above
14. The insurance companies collect a fixed amount from its customers at a fixed interval of time is called _____.
 a. installment
 b. contribution
 c. premium

d. None of the above

15. Marine Insurance Act was established in the year:

- a. 1953
- b. 1963
- c. 1973
- d. None of the above

16. Crop insurance, burglary insurance are the types of _____ insurance

- a. Miscellaneous
- b. Life
- c. Non-life
- d. none of the above

17. The instrument containing the contract of insurance is called _____

- a. policy
- b. contract
- c. agreement
- d. None of the above.

18. Insurance contracts may be classified into _____ categories.

- a. three
- b. four
- c. two
- d. None of the above

19. Personal insurance include _____ insurance

- a. life
- b. accident
- c. health
- d. all of the above

20. Workmen's compensation and third party insurance are example of _____ insurance

- a. personal
- b. property
- c. liability
- d. None of the above

== *** ==

UNIVERSITY OF SCIENCE & TECHNOLOGY, MEGHALAYA



Question Paper CUM Answer Sheet

[PART (A) : OBJECTIVE]

Serial no. of the main
Answer sheet

Course :

Semester : Roll No :

Enrollment No : Course code :

Course Title :

Session : 2016-17 Date :

Instructions / Guidelines

- > The paper contains twenty (20) / ten (10) questions.
- > The student shall write the answer in the box where it is provided.
- > The student shall not overwrite / erase any answer and no mark shall be given for such act.
- > Hand over the question paper cum answer sheet (Objective) within the allotted time (20 minutes / 10 minutes) to the invigilator.

Full Marks	Marks Obtained	Remarks
20		

Scrutinizer's Signature

Examiner's Signature

Invigilator's Signature