

E 5613

(Pages : 2)

Reg. No.....

Name.....

B.A. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2018

Third Semester

B.A. Economics (Model II)

Vocational Course—ACTUARIAL SCIENCE AND THE ECONOMICS OF INSURANCE

[2013—2016 Admissions]

Time : Three Hours

Maximum Marks : 80

Part A

Define the following.

Each question carries 1 mark.

- | | |
|----------------|-----------------|
| 1. Insurance. | 6. Mortality. |
| 2. Risk. | 7. Uncertainty. |
| 3. Elasticity. | 8. Social Cost. |
| 4. Hazards. | 9. Premium. |
| 5. Supply. | 10. IRDA. |

(10 × 1 = 10)

Part B (Short Answer Questions)

Answer any eight of the following questions in a paragraph each not exceeding 100 words.

Each question carries 2 marks.

11. What is the significance of actuarial science ?
12. What is cross elasticity of demand in the context of insurance ?
13. What factors influence mortality assumptions ?
14. How do insurance companies manage risk ?
15. Write a note on evolution of insurance sector in India.
16. Discuss the need for security against economic difficulties.
17. What is social insurance ?
18. What is insurable interest ?
19. Write a note on paradigm shift in insurance industry.
20. Write a note on pricing of insurance products.

Turn over

21. What are the different type of re-insurance ?
22. Write a note on popularity of insurance in India.

(8 × 2 = 16)

Part C (Short Essays)

*Answer any six of the following questions in one and a half pages each not exceeding 150 words.
Each question carries 4 marks.*

23. What are the areas of application of actuarial science ?
24. What are the factors which determine the demand for insurance ?
25. How do insurance companies assess risk ?
26. Explain the principles of risk management.
27. Explain the idea of departmentalisation.
28. What are the social benefits of insurance ?
29. Explain static and dynamic risk.
30. Discuss the marketing strategies used for insurance products.
31. Discuss the important reforms introduced in the insurance sector.

(6 × 4 = 24)

Part D (Long Essays)

*Answer any two of the following questions not exceeding four pages each.
Each question carries 15 marks.*

32. How do insurance companies manage risk ?
33. Discuss the product development process of insurance companies.
34. Explain the functions of IRDA.

(2 × 15 = 30)