



Dr.G.R.Damodaran College of Science

(Autonomous, affiliated to the Bharathiar University, recognized by the UGC)Re-
accredited at the 'A' Grade Level by the NAAC and ISO 9001:2008 Certified
CRISL rated 'A' (TN) for MBA and MIB Programmes

III B.Com (AM) [2015-2018]

Semester V

Core: INSURANCE LAW AND REGULATIONS - 513C

Multiple Choice Questions.

1. The first company transacted insurance business was

- A. LIC
- B. GIC
- C. The Indian Mercantile Insurance Ltd
- D. Oriental insurance Company

ANSWER: C

2. The nationalization of insurance sector was taken over by ____ companies

- A. 245
- B. 950
- C. 200
- D. 100

ANSWER: A

3. LIC was formed in 1956 through nationalization of _____ Companies

- A. 246
- B. 256
- C. 250
- D. 252

ANSWER: B

4. ____ insurance were amalgamated under GIC

- A. 107
- B. 100
- C. 102
- D. None of These

ANSWER: A

5. Those risks which are more than normal risk are called

- A. . Standard Risk
- B. Super Standard Risk
- C. Sub Standard Risk
- D. Neither of them

ANSWER: C

6. . Premium on sub-standard lives can be increased by one of the following

- A. By rating more than of age

- B. By adding flat extra premium
- C. By adding extra percentage
- D. All the above

ANSWER: D

7. . Occupation is important for risk classification because of

- A. Income earned by individual
- B. Tension, stress and worries given by work place
- C. Damage caused by pollution at work place
- D. Both b. and c

ANSWER: D

8. Risk of mortality is considered to be

- A. More on male life
- B. More on female life
- C. . Same on life of both
- D. None of These

ANSWER: B

9. Valuation in life insurance means _____.

- A. The process of arriving at the profit of a life insurance company
- B. The process of determining the net premium for a life insurance policy
- C. The process of arriving at the bonus in a life insurance company
- D. The process by which the value of all the existing policies is ascertained in a life insurance company.

ANSWER: D

10. Notification of alteration in risk is a condition

- A. precedent to liability
- B. subsequent to liability
- C. precedent to contract
- D. subsequent to contract

ANSWER: D

11. Group insurance is ideally suited for covering _____.

- A. Affluent persons in the society
- B. Weaker section of the society
- C. Employer-employee groups
- D. Both b. and c..

ANSWER: D

12. Master policy is issued for

- A. Group insurance scheme
- B. Term insurance scheme
- C. Permanent insurance
- D. Individual policy

ANSWER: A

13. Janashree Bima yojna was introduced _____.

- A. For poor people
- B. For the upper middle class people
- C. For the middle class people

D. For people living below the poverty line , belonging to specific occupation \profession

ANSWER: D

14. Unemployment insurance is a component of _____.

- A. ESI act.
- B. Social Security act
- C. Workers compensation act
- D. None of the above

ANSWER: D

15. Risk insured against death is a contract of

- A. . Agreement
- B. Indemnity
- C. Assurance
- D. . caveat emptor

ANSWER: C

16. Insurance contract is sort of contract which is approved by

- A. The Indian Contract Act
- B. Indian Factory Act
- C. Indian Companies Act
- D. The Indian finance Act.

ANSWER: A

17. General Insurance Corporation was established during the year

- A. 1972.
- B. 1955.
- C. 1956
- D. 1971

ANSWER: C

18. General Insurance Business was nationalized under _____.

- A. General Insurance Business Nationalisation Act, 1971
- B. General Insurance Business Nationalisation Act, 1972
- C. General Insurance Business Nationalisation Act, 1973
- D. General Insurance Business Nationalisation Act, 1974

ANSWER: B

19. The head office of New India Assurance & Co Ltd., is _____.

- A. New Delhi
- B. Kolkata
- C. Chennai.
- D. Mumbai

ANSWER: D

20. New Delhi is the head office of _____.

- A. New India Assurance & Co Ltd
- B. United India Assurance & Co Ltd
- C. Oriental Insurance Co Ltd
- D. National Insurance Co Ltd

ANSWER: C

21. The Head office of National Insurance Co, Ltd, is _____.

- A. Mumbai
- B. . Kolkata.
- C. Bangalore.
- D. Hyderabad.

ANSWER: B

22. The Head office of United India Insurance co, Ltd, is

- A. Chennai
- B. Bangalore
- C. New Delhi
- D. Mumbai

ANSWER: A

23. . Life insurance in its present form came to India from

- A. UK
- B. USA
- C. CANADA
- D. GERMANY

ANSWER: A

24. Life Insurance Company was setup in

- A. 1824
- B. 1823
- C. 1822
- D. 1821

ANSWER: B

25. Life Insurance Corporation was nationalized in _____.

- A. 1951
- B. 1954
- C. 1955
- D. 1956

ANSWER: D

26. Life Insurance Corporation was formed with a capital contribution of

- A. Rs. 10 Crore.
- B. Rs. 15Crore.
- C. Rs. 5 Crore.
- D. Rs. 20Crore.

ANSWER: C

27. The term Assurance refers to

- A. Life Insurance Business
- B. Marine Insurance Business
- C. Fire Insurance Business
- D. Motor Vehicle Business

ANSWER: A

28. The Oriental Life Insurance Company came to India during

- A. 1919.
- B. 1818.
- C. 1899.
- D. 1888.

ANSWER: B

29. The policies where the premium is payable through out the life of the assured is called

- A. Whole life policies
- B. Renewable term policies
- C. Sinking fund policies
- D. Annuity policies

ANSWER: A

30. With profit policy is also termed as

- A. Multiple life policy
- B. Participating policy
- C. Level premium policy
- D. Lump sum policy

ANSWER: B

31. The Insurer who grants a guarantee from the direct insurer is called as

- A. Direct Insurer
- B. Ceding Insurer
- C. Re-Insurer.
- D. Double Insurer

ANSWER: C

32. The proportion of the risk which the direct insurer holds on his own account refers to

- A. Line.
- B. Retention
- C. Retrocession
- D. Ceding insurer.

ANSWER: B

33. . When the same risk and subject matter is insured with more than one insurer is called as_____.

- A. Double insurance.
- B. Over insurance
- C. Reinsurance
- D. External insurance

ANSWER: A

34. When the amount for which a subject matter is insured is more than its actual value is called

_____.

- A. Double insurance
- B. Over insurance
- C. . Reinsurance
- D. Crop insurance

ANSWER: B

35. IRDA refers to_____.

- A. Indian Regulatory Development Authority

- B. Institute of Regulatory Development Authority
- C. . Insurance Regulatory Development Association
- D. Insurance Regulatory Development Authority

ANSWER: D

36. . Committee of reforms in insurance sectors during 1993 headed by _____.

- A. R.N. Malhotra
- B. S. Narashiman
- C. Manmohan Singh
- D. P.Chidambaram

ANSWER: A

37. The danger of loss from the unforeseen circumstances in future refers to _____.

- A. Perils.
- B. Hazards.
- C. Risks
- D. Damage.

ANSWER: C

38. _____ involved those losses that occur even if there were no changes in the economic environment

- A. Dynamic risk.
- B. Static Risk
- C. Fundamental Risk
- D. Particular Risk

ANSWER: B

39. Risks are not suited to treatment by insurance refers to _____.

- A. . Static risk.
- B. Property Risk
- C. Dynamic Risk
- D. liability Risk

ANSWER: C

40. Fundamental risk is also termed as _____.

- A. Particular risk
- B. Speculative risk
- C. Pure risk
- D. Group risk

ANSWER: D

41. Unemployment, war, inflation, earthquakes etc., are the examples of

- A. Pure risk.
- B. Fundamental Risk
- C. Particular risk.
- D. Personal Risk

ANSWER: B

42. Any risk involved a situation where there is a possibility of gain refers to

- A. Liability risk
- B. personal risk
- C. pure risk

D. speculative risk

ANSWER: D

43. Direct or Consequential losses refer to

- A. Dynamic risk
- B. particular risk
- C. property risk
- D. Pure risk

ANSWER: C

44. Spreading of risk otherwise termed as _____.

- A. Spreading of risk
- B. Reduction of Risk
- C. Acceptance of Risk
- D. Shifting Risk

ANSWER: A

45. Cargo ship caught by fire is an example of _____.

- A. particular average loss
- B. actual total loss
- C. constructive total loss
- D. general average loss

ANSWER: D

46. Rashtriya Krishi Yojana of Crop Insurance Scheme came into India during

- A. 1999.
- B. 1888
- C. 1988
- D. 1977

ANSWER: A

47. Corpus fund is created with contributions from the Central Government and State Government on

_____.

- A. 75:25 basis
- B. 50:25 basis
- C. 60:40 basis
- D. 70:30 basis

ANSWER: B

48. The organisation structure of LIC refers to

- A. Two tier structure
- B. Four tier structure
- C. Five tier structure
- D. two tier structure

ANSWER: B

49. The constitution of the IRDA consists of not more than _____ members

- A. 10
- B. 7
- C. 9
- D. 2

ANSWER: C

50. Insurance business is based on _____.

- A. Newtons law
- B. The theory of probability and law of large numbers
- C. Parkinsons law
- D. Boyles law

ANSWER: B

51. The insurance plays a role in the economic development of the country in following Ways _____.

- A. Releases capital for new investments
- B. The job potential increases
- C. Money collected is invested in infrastructure
- D. All the above

ANSWER: D

52. On the death of the bread-earner, two losses occur in the family one is loss of human life and the other is _____.

- A. earning power of family
- B. loss of insurance
- C. loss of investment
- D. loss of bank deposits

ANSWER: A

53. Valuation in life insurance means _____.

- A. the process of arriving at the profit of a life insurance company
- B. the process of determining the net premium for a life insurance policy
- C. the process of arriving at the bonus in a life insurance company
- D. the process by which the value of all the existing policies is ascertained in a life insurance

ANSWER: D

54. Notification of Alteration in Risk is a condition

- A. . precedent to liability
- B. subsequent to liability
- C. . precedent to the contract
- D. subsequent to the contract

ANSWER: D

55. The whole-life plans in India _____.

- A. . pay death benefits only whenever it occurs
- B. pay death benefits after retirement
- C. pay policy benefits after the person attains a certain age, say 80-85 years
- D. . pay death benefits after payment of first premium

ANSWER: A

56. What are with profit policies

- A. Insurance policies, which can be sold at a profit
- B. Policies which can be pledged to avail loan
- C. Policies under which bonus is paid
- D. Money back plans

ANSWER: A

57. Name the Indian insurance organisation which for the first time started charging normal rates of premium on Indian _____.

- A. Bombay Mutual Life Assurance society
- B. Oriental Life Assurance Company
- C. New India Assurance Company
- D. Hindustan C-operating Insurance Society

ANSWER: A

58. . In case a business firm sets up a private fund to payout the losses if happens, then that is called as _____.

- A. Individual insurance
- B. family insurance
- C. Self-insurance
- D. . group insurance

ANSWER: C

59. Group insurance is ideally suited for covering

- A. affluent person in the society
- B. weaker sections of the society
- C. employer-employee groups
- D. both (2) and (3)

ANSWER: D

60. Master policy is issued for _____.

- A. term insurance schemes
- B. permanent insurance
- C. group insurance schemes
- D. . individual policy

ANSWER: C

61. For the introduction of a group scheme, we need a _____.

- A. . homogeneous group
- B. Insured group
- C. Small group of persons
- D. Large groups

ANSWER: A

62. The doctrine of Caveat Emptor governs

- A. Marine insurance contracts
- B. . Commercial contracts
- C. Group insurance contracts
- D. . All general insurance contracts

ANSWER: B

63. What is floating policy ?

- A. A standard fire policy.
- B. Policy covering the fixed sum assured stock..
- C. . A policy that covers stocks located in various godowns under a single policy
- D. A renewable marine policy

ANSWER: C

64. Claim forms are not compulsorily used in

- A. fidelity guarantees
- B. marine cargo.
- C. machinery breakdown
- D. Others

ANSWER: B

65. For settlement of claims, Insurer requires proper knowledge of

- A. law, principles and practice of insurance
- B. . law only
- C. . principles and practice of insurance
- D. Law, principles, practice of insurance, terms and conditions of policies, extensions and modifications.

ANSWER: D

66. The burden of proof of the loss within the scope of policy is upon the

- A. Insurer.
- B. Insured
- C. Surveyor
- D. Defence Lawyer

ANSWER: B

67. As the age increases risk on the life

- A. Increases.
- B. Decreases
- C. does not change
- D. Moderate.

ANSWER: A

68. If the interest rates in the market are higher, then cost of insurance

- A. Increases
- B. Moderate
- C. Decreases
- D. . no change.

ANSWER: C

69. The expenses which do not vary with the amount of business written are called

- A. Direct expenses
- B. Overhead expenses
- C. InDirect expenses
- D. Trading Expenses

ANSWER: B

70. Brokers Association of India was granted recognition by IRDA on

- A. . Dec 11, 2001
- B. . Dec 11, 2002
- C. Dec 11, 1999
- D. Dec 11, 2003

ANSWER: A

71. Foreign equity participation is allowed in insurance sector up to a limit of ____ percent

- A. 80
- B. 73
- C. 49
- D. 26

ANSWER: D

72. _____ provides guidelines to decide whether the loss is caused by an insured peril or an expected peril.

- A. Indemnity
- B. Proximate clause
- C. Standard claims
- D. Trip sheet

ANSWER: B

73. _____ means those risks which involve a situation where there is a possibility of gain

- A. Personal risk
- B. Speculative risk
- C. Liability risk
- D. Others

ANSWER: B

74. . _____ is concerned with the conversion of a firms asset and earning power against risks of accidental loss.

- A. Risk retention
- B. Risk control
- C. Risk Management
- D. Risk identification

ANSWER: C

75. . _____ is a contract between the insurer and the insured under which the insurer undertakes to compensate the insured for the loss arising from the risk

- A. . Insurance
- B. Agreement
- C. Indemnity
- D. Proximate Clause

ANSWER: A

76. The authorized capital of GIC ____ crore

- A. 35
- B. 50
- C. 75
- D. 80

ANSWER: C

77. . _____ is the appointing of a nominee under the policy

- A. Nomination
- B. . Election
- C. Justification
- D. Assignment

ANSWER: A

78. The _____ has the right to receive the amount assured in the event of death of the insured.

- A. Employer
- B. Nominee
- C. Friend
- D. Third Party

ANSWER: B

79. . Nomination can be done at the inception of the policy by providing details of nominee in the _____.

- A. white paper
- B. proposal form
- C. . premium receipt
- D. Promissary Note

ANSWER: B

80. Nomination can be done only by a _____ who is a major holding Policy Bond in his own name

- A. Employer
- B. Legal Advisor
- C. . insurance company
- D. . policy holder

ANSWER: D

81. . Under Nomination, the Nominee gets only the right to receive the policy money in the _____ of the policyholder

- A. event of sickness
- B. event of death
- C. event of credit
- D. event of happiness

ANSWER: B

82. _____ is a means whereby the beneficial interest, right and title under a policy gets transferred from the assignor to the assignee.

- A. Nomination
- B. Selection
- C. . Election
- D. Assignment

ANSWER: D

83. _____ is the policyholder who transfers the title of the policy

- A. Assignee
- B. Nominee
- C. Assignor
- D. Consignee.

ANSWER: C

84. _____ is the person who collects premium from policy holder.

- A. Assignee
- B. Nominee
- C. Assignor
- D. Insurer

ANSWER: D

85. _____ can be done by mere endorsement on the policy or by a separate duly stamped deed.

- A. Nomination
- B. Election
- C. Justification
- D. Assignmen

ANSWER: D

86. A life insurance policy from LIC may be assigned only after a period of ____ years

- A. 10
- B. 5
- C. 3
- D. 1

ANSWER: B

87. The total number of branch offices of LIC is

- A. 800
- B. 950
- C. 1000
- D. 2048

ANSWER: D

88. How many zonal offices are functioning under LIC?

- A. 5
- B. 8
- C. 10
- D. 2

ANSWER: B

89. LICs _____ office is to perform the activities relating to investments, framing and administering the rules and regulations of corporation

- A. Zonal
- B. Divisional
- C. Central
- D. Branch

ANSWER: C

90. In LICs _____ office almost 90% of the functions relate to policy holders.

- A. Zonal
- B. Divisional
- C. Central
- D. Branch

ANSWER: D

91. The LICs Zonal office and Divisional office are established on the basis of _____.

- A. Number of agents.
- B. Number of policy holders
- C. Geographical Area
- D. Fund Allocation

ANSWER: C

92. The document which contains the terms and conditions of the life insurance contract is termed as the _____.

- A. Cover note.
- B. Life insurance policy
- C. Agreemen
- D. Other document

ANSWER: B

93. The person to whom the policy proceeds will be paid in the event of the death of the insured is known as

- A. Assignee
- B. Nominee
- C. Consignee
- D. Beneficiary

ANSWER: D

94. A _____ is the person who sends the proposal form for taking an insurance policy and pays the premium

- A. Proposer
- B. Nominee
- C. Legal Advisor
- D. Employer

ANSWER: A

95. The cash value of the policy, paid by the company upon the surrender of a policy before it becomes payable by maturity is known as _____.

- A. Premium
- B. Cash surrender value
- C. Consideration
- D. Commission

ANSWER: C

96. One who shares the risk under an insurance policy or policies is known as _____.

- A. Assurer
- B. . Insurer
- C. Co-insurer
- D. . Agent

ANSWER: C

97. A policy protecting a group of persons, usually employees of a firm generally called as _____.

- A. Fire insurance policy
- B. Group insurance policy
- C. Marine insurance
- D. Automobile insurance

ANSWER: B

98. The period of time for which the policy will normally remain in existence is known as _____.

- A. Policy term
- B. . Policy note
- C. Proposal time

D. Grace time

ANSWER: A

99. What is meant by a claim under an insurance policy?.

- A. Any demand made by the policy holder on the insurer.
- B. A demand to fulfill the policyholders obligation
- C. A demand to fulfill the insurers obligations
- D. A demand to fulfill the insurers obligations

ANSWER: D

100. If a life insured has died a few days before date of maturity, but after signing discharge form, to whom should the claim be paid?.

- A. Surviving heirs.
- B. Nominee
- C. The policy holders bank account
- D. Any of the above three above mentioned

ANSWER: B

101. What is a proposal?.

- A. A request for an insurance cover
- B. An offer to enter into a contract
- C. Both a request and an offer to enter an insurance contract
- D. None of the above

ANSWER: C

102. If the premium was due on 15th July and 16 August is a Sunday

- A. the grace period will end on 14th august (Friday).
- B. the grace period will end on 15th august (Saturday).
- C. the grace period will end on 17th august (Monday).
- D. . the grace period will end as per the discretion of the insurer

ANSWER: C

103. A policy which has been assigned, will revert to the assignor.

- A. if the assignor survives till maturity
- B. whenever the assignor demands it
- C. .when the conditions specified in a conditional assignment happen
- D. on maturity of the policy

ANSWER: C

104. In life insurance, profit is determined by_____.

- A. the accountant who prepares the balance sheet
- B. the actuary who makes a valuation
- C. the auditor who certifies the annual accounts.
- D. the third party

ANSWER: B

105. . A plan of insurance is said to be different from another if _____

- A. the sum assured is different
- B. . the age of the life to be insured is different
- C. the date of commencement of policy is different
- D. the conditions when the sum assured becomes payable are different

ANSWER: D

106. Who is benefited if a policy is under the salary savings scheme?

- A. Policy holders
- B. Insurer
- C. Agent
- D. All the above

ANSWER: D

107. Which of these persons will not be given a license to work as an insurance agent?

- A. A person with criminal record
- B. A corporate insurance executive
- C. An employee of an insurance company
- D. All the three mentioned above

ANSWER: A

108. A type of insurance contract through which protection is given against loss of crop from risk is known as _____

- A. Fire insurance
- B. Crop insurance
- C. Marine insurance
- D. . Automobile insurance

ANSWER: B

109. A memorandum added to a policy embodying some alterations to the terms of policy is known as

- A. Endorsement.
- B. Discharge of Contract
- C. Breach of Contract
- D. Nomination

ANSWER: A

110. A kind of insurance which provides for indemnity for loss against health such as loss of time and medical expenses due to sickness is called _____.

- A. Fidelity insurance
- B. Crop insurance
- C. Health insurance
- D. Fire Insurance

ANSWER: C

111. Insurer is a person who has _____.

- A. insured his life or goods
- B. helped a person to get an insurance policy
- C. undertaken to make good the loss of the subject matter of insurance
- D. . file a suit in a court of law to recover an insurance claim

ANSWER: C

112. Average clause is a fire policy

- A. average the claim on the different policies taken by the insured
- B. insures the property at average premium paid for the class three years.
- C. insures the property at the average rate of premium recovered during the last year only.
- D. penalizes under-insurance

ANSWER: D

113. In which of the following types of insurance should insurable interest be present only at the time when policy is taken?

- A. Fire Insurance
- B. Life Insurance
- C. Marine Insurance
- D. Life and marine Insurance

ANSWER: B

114. Paid-up value is payable on a life insurance policy_____.

- A. on the maturity of the policy.
- B. when the policy lapses
- C. when the policy is surrendered
- D. . on maturity or death whichever is earlier

ANSWER: D

115. . Insurance technique is based on the principle of _____.

- A. pooling system
- B. compensating others
- C. helping others
- D. Indemnity

ANSWER: A

116. A person insured his goods worth Rs. 2000 for Rs. 1600 and suffers a loss of Rs. 1800. His claim can be for_____

- A. Rs.2000
- B. Rs.1800
- C. Rs.1600
- D. Rs.3800

ANSWER: C

117. The principle of contribution applies when_____.

- A. the full amount of premium is not applied by the insured.
- B. there are two or more insurance on the risk
- C. the insured insures the same risk policy with other insurers
- D. . the insured insures the same risk policy with different persons

ANSWER: B

118. The principle of _____ does not apply to life insurance

- A. Subrogation
- B. Utmost Good Faith
- C. Contribution
- D. Indemnity

ANSWER: D

119. Main emphasis of risk management is on

- A. Risk Retention
- B. reduction of cost of handling risk
- C. . risk transfer
- D. . Insurance

ANSWER: B

120. The IRDA has replaced _____.

- A. . the controller of insurance
- B. . the controller of insurance
- C. Department of Insurance
- D. Department of Banking

ANSWER: B

121. Which of the following is the similarity between insurance and gambling?.

- A. The amount of loss to be paid is known before hand
- B. Promise to pay on the happening of an event.
- C. . Both the parties win on happening of an event.
- D. Both are enforceable at law

ANSWER: A

122. The concept of insurance is_____.

- A. . to make money out of death
- B. to earn interest
- C. to earn a status
- D. . to share losses by many

ANSWER: D

123. A human life is an income-generating asset_____.

- A. . partially true
- B. partially false
- C. True
- D. False

ANSWER: C

124. The company doing the insurance business is called _____.

- A. mutual funds
- B. non-banking firm
- C. banking company
- D. insurance company.

ANSWER: D

125. Which one of the following comes under miscellaneous insurance?.

- A. Marine insurance
- B. Motor insurance
- C. Fire insurance
- D. Group insurance

ANSWER: B

126. Term assurance provides the following benefits _____.

- A. death benefits if the person dies within term
- B. death and survival benefits
- C. periodic payments at predictable intervals
- D. death benefits with bonus.

ANSWER: A

127. Which of the following is an evidence of insurance contract
- A. Which of the following is an evidence of insurance contract
 - B. Which of the following is an evidence of insurance contract
 - C. cover note.
 - D. acceptance of proposal

ANSWER: B

128. Which of the following is a children policy of LIC?.
- A. Jeevan Sneha
 - B. Jeevan Vishwas
 - C. Jeevan Dhara
 - D. Jeevan Sukanya

ANSWER: D

129. The premium is lowest for _____.
- A. money back policy
 - B. term insurance
 - C. whole life policy
 - D. endowment policy

ANSWER: C

130. Annuity plan offer _____.
- A. Liquidity
 - B. Capital Reduction
 - C. Profitability
 - D. Regular Assured Return

ANSWER: A

131. . Claim is processed on the basis of _____.
- A. claim form and agents opinion
 - B. legal opinion
 - C. claim form, survey report etc., other documents and any evidence secured by the insurer.
 - D. survey report

ANSWER: C

132. Insurance writing is often referred to as _____.
- A. rate making
 - B. Underwriting
 - C. undertaking
 - D. Documentation

ANSWER: B

133. As per the Principle of Insurable interest, it should be present in the case of life Insurance ____
- A. at the time of claim settlement
 - B. at the time of survival only
 - C. only at the inception of the policy
 - D. at inception and at the time of revival

ANSWER: D

134. European started the Oriental Life Insurance Company in Kolkata in the year _____.
- A. 1870

- B. 1872
- C. 1818
- D. 1906

ANSWER: B

135. The first Indian Insurance Act was passed in _____.

- A. 1938
- B. 1956
- C. 1912
- D. 1985

ANSWER: C

136. The concept of bancassurance originated in _____.

- A. France
- B. USA
- C. England
- D. Italy

ANSWER: A

137. The clause which sets out the essence of the contract is _____.

- A. The Preamble.
- B. Recital Clause.
- C. Conditions.
- D. Operative Clause.

ANSWER: D

138. Cargo Ship Caught by fire is an example of _____.

- A. particular average loss
- B. General average loss
- C. constructive total loss
- D. Actual total loss

ANSWER: B

139. Corpus fund is created with contributions from the Central Government and State Government on

- A. 50:50
- B. 60:40
- C. 70:30
- D. 75:25

ANSWER: A

140. The danger of loss from the unforeseen circumstances in future refers to _____.

- A. Perils
- B. Hazard
- C. Damage
- D. Risk

ANSWER: D

141. Committee of Reforms in insurance sectors during 1993 headed by _____.

- A. S. Narashiman
- B. Manmohan Singh
- C. R.N. Malhotra

D. P. Chidamabaram

ANSWER: C

142. An International code of York Antwerp Rules applied to _____.

- A. Marine Losses
- B. Losses of fire
- C. Losses of Crop
- D. Losses of human life

ANSWER: A

143. _____ means a wilful and international act on part of the self destroyer

- A. Death
- B. Suicide
- C. Murde
- D. Accident

ANSWER: B

144. Except life assurance the maximum term of other insurance is _____.

- A. 36 months
- B. 24 months
- C. 12 months
- D. . 6 months

ANSWER: C

145. . _____ policy is granted only in respect of stock of inventories of the insured under the fire insurance business.

- A. Floating
- B. . Replacement
- C. valued
- D. Declarations

ANSWER: D

146. Motor Vehicle Insurance is compulsory under the Motor Vehicles Act. which was enacted in _____.

- A. 1988
- B. 1888
- C. 1999
- D. 1977

ANSWER: C

147. With profit policy is also termed

- A. Multiple life policy
- B. participating policy
- C. level of premium policy
- D. lump sum policy

ANSWER: B

148. Life insurance in its present form came to India from _____.

- A. The United Kingdom
- B. USA
- C. Canada

D. Germany
ANSWER: A

149. A certain percentage of the sum assured is paid periodically according to the terms of policy

- _____.
- A. Term policy
 - B. Endowment life policy
 - C. Money-back Policy
 - D. Group insurance policy
- ANSWER: C

150. The premium implies _____

- A. Consideration by service
 - B. Consideration by cash
 - C. Consideration by Kind
 - D. None of these
- ANSWER: B

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