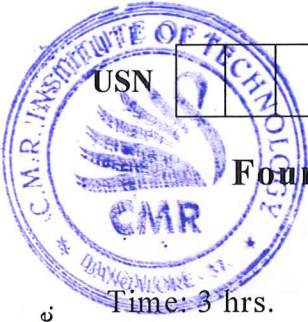


# CBCS SCHEME



16/17MBAFM402

## Fourth Semester MBA Degree Examination, June/July 2019 Risk Management and Insurance

Time: 3 hrs.

Max. Marks:80

**Note: 1. Answer any FOUR full questions from Q1 to Q7.  
2. Question No. 8 is compulsory.**

- 1 a. Define risk management. (02 Marks)  
b. Illustrate business risk exposure. (06 Marks)  
c. Elucidate the classification of life insurance. (08 Marks)
- 2 a. Mention the elements of risk control. (02 Marks)  
b. Explain the types of unit linked insurance plans. (06 Marks)  
c. Design the risk management decision method. (08 Marks)
- 3 a. Define insurance. (02 Marks)  
b. Differentiate between insurance and hedging. (06 Marks)  
c. Describe the objectives of risk financing technique. (08 Marks)
- 4 a. Mention the objectives of risk management. (02 Marks)  
b. Describe severity of losses. (06 Marks)  
c. Illustrate the methods of handling business risk. (08 Marks)
- 5 a. Mention the classification of annuities. (02 Marks)  
b. Explain the basic characteristics of insurance. (06 Marks)  
c. Design methods of handling risk. (08 Marks)
- 6 a. Define risk identification. (02 Marks)  
b. Differentiate between annuity and life insurance. (06 Marks)  
c. Elucidate the insurance regulatory development authority regulations for life insurance. (08 Marks)
- 7 a. Mention the types of motor insurance. (02 Marks)  
b. Describe the classification of health insurance. (06 Marks)  
c. Explain the types of risk. (08 Marks)

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.  
2. Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.

## 8 CASE STUDY [Compulsory]

The bus for school company provides school bus transportation to public schools in London. It owns 50 buses that are garaged in four different brought and it provides school bus service to over 20 public schools. The firm faces competition from two large bus companies that operate in the same area. Public school boards generally award contracts to the lowest bidder, but the level of service and overall perform are also considered.

Questions :

- a. Briefly describe the steps in the risk management process that should be followed by the risk manager of bus for school. (04 Marks)
- b. Identify the major loss exposure faced by bus for school. (04 Marks)
- c. Describe several sources of funds for paying losses if retention is used in the risk management program. (04 Marks)
- d. Identify other departments in bus for school that would also be involved in the risk management program. (04 Marks)

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