[24-HKPD1SN-24J (M2)]

MA 1st Semester (NEP) Exam. 2024 (S2)

ECONOMICS

(*Economics of Insurance*)

[PGEC, S1-04]

Full Marks : 70

Time : 3 hours

The figures in the right-hand margin indicate marks.

1. Answer any *five* from the following questions (each in around 400 words) : $10 \times 5 = 50$

(*a*) Define general insurance. Discuss the role of general insurance in the economic development of a country. 2+8 = 10

(*b*) Explain consumer's demand for insurance using expected utility hypothesis.

(*c*) What do you mean by the terms : 2+2+2+2+2 = 10

(*i*) Grace period

(*ii*) Chronic condition

(*iii*) Pre-hospitalisation medical expenses

(*iv*) Post-hospitalisation medical expenses

(*v*) Cashless facility related to health insurance policies

(*d*) Explain the advantages and disadvantages of investment.

(*e*) What is meant by group insurance ? Discuss the salient features of a group insurance. 2+8 = 10

(*f*) What is meant by the term risk management ? Discuss the process of risk management step by step in details. 2+8 = 10

(*g*) Discuss how insurance companies function as financial intermediaries in an economy.

(*h*) Discuss the primary and secondary functions of life insurance.

2. Answer any *four* from the following questions (each in around 200 words) : 5 × 4 = 20

(*a*) Mention the various classification of risk in life insurance.

(*b*) Write a note on job security.

(*c*) Mention the three types of policy endorsements. Name the major amendment areas in respect of which endorsements can be issued. 2+3 = 5

(*d*) Explain the need of reinsurance.

(*e*) Distinguish between social and private insurance.

(*f*) Write the objectives of insurance regulation for the development of insurance market.