**IRDA Question paper with Answer 2011 pdf Question Paper of IRD Solved**

1 Insurance works on the principle of  
  
a Trust  
b Sharing  
c Randomness  
d All of the above  
  
2 Insurance is legitimate  
  
a when an adverse happening is likely  
b When an adverse happening is unlikely  
c When an adverse happening is certain  
d In all the above three situations  
  
3 Insurance benefits replace  
  
a All physical losses, in full  
b All physical losses, partly  
c All monetary losses, in full  
d The monetary losses, but only to some extent  
  
4 Which one of the following statements is correct?  
  
a People hesitate to buy life insurance because they are not aware of their needs  
b People hesitate to buy life insurance because they prefer to enjoy the present  
c Both the statements are correct  
d Both the statements are wrong  
  
5 Which is the right time for taking life insurance?  
  
a When you are about to get married  
b Soon after you have got married  
c Just when you are joined a new job  
d All the three ‘times’ are right  
  
6 Retention of risk may be done conveniently by  
  
a Large corporations  
b Small companies  
c Single individuals  
d None of the three  
  
7 A valuation is done by a life insurer because  
  
a It is a statutory requirement  
b It is necessary to be able to declare dividends to shareholders  
c It tells the insurer how well it is managing the business  
d All of the above  
  
8 The reason for charging level premiums is  
  
a Risk increases as age increases  
b It is convenient to the policyholder  
c It is convenient to the insurer  
d All the above reasons  
  
9 What does a premium depend upon?  
  
a The place of worship visited by the person to be insured  
b The state of health of the policyholder  
c The decision of the underwriter  
d The report of the agent  
  
10 State which one of the following statements is correct?  
  
a In group insurance, a single policy is issued covering many persons  
b A master policy covers servants of a master  
c Both the statements above are correct  
d Both the statements above are wrong  
  
11 Which one of the following statements is correct?  
  
a In a limited payment policy, there is a maximum limit to the SA  
b In a limited payment policy, there is a maximum limit to the term  
c Both the statements above are wrong  
d Both the statements above are correct  
  
12 Which one of the following statements is true with regard to Children’s policies?  
  
a On vesting, the insured person has an option to change the term of the policy  
b On vesting the insured person has an option to increase the SA  
c Both the statements above are wrong  
d Both the statements above are correct  
  
13 Which of the following could be the basis of the cover in a group policy?  
  
a Height of the life insured  
b Age of the life insured  
c Size of the insured’s family  
d All the three above  
  
14 Which one of the following statements is true with regard to Children’s policies?  
  
a On vesting, the insured person has an option to change the term of the policy  
b On vesting the insured person has an option to increase the SA  
c Both the statements above are wrong  
d Both the statements above are correct  
  
15 Which one of the following statements is correct?  
  
a Every plan of insurance is a combination of two basic plans  
b The name given to a plan indicates the benefits available under the plan  
c Both the statements above are correct  
d Both the statement s above are wrong  
  
16 Which one of the following statements is correct?  
  
a Underwriting is done only when there is a medical examination  
b Medical examination is necessary before a policy can be issued  
c Both the statements above are correct  
d Both the statements above are wrong  
  
17 Which one of the following statements is correct?  
  
a The underwriter determines the premium to be charged  
b The underwriter is an employee of the insurer  
c Both the statements above are correct  
d Both the statements above are wrong  
  
18 Which one of the following statements is correct?  
  
a If the underwriter feels that the risk is more, he will accept at OR  
b If the underwriter feels that the risk is more, he may impose a lien  
c Both the statements above are correct  
d Both the statements above are wrong  
  
19 Which one of the following statements is correct?  
  
a The schedule of a policy is not altered after the policy is issued  
b Changes in the terms of the policy are made through endorsements  
c Both the statements above are correct  
d Both the statements above are wrong  
  
20 The date of issue of the FPR indicates  
  
a The date when the risk effectively begins  
b The date when the next premium falls due  
c The date when the policy will commence  
d None of the above  
  
21 Which one of the following statements is correct?  
  
a In the case of SSS policies, renewal premium receipts are issued  
b In the case of SSS policies, FPRs are issued  
c Both the statements above are correct  
d Both the statements above are wrong  
  
22 Which one of the following statements is correct?  
  
a Assignee is free from the assignor’s obligations under the policy  
b A nomination is automatically cancelled when a loan is taken under the policy  
c Both the statements above are correct  
d Both the statements above are wrong  
  
23 Which one of the following statements is correct?  
  
a The beneficiaries under the MWP Act can be any member of the family  
b A policy can be taken under the MMWP Act for the benefit of parents  
c Both the statements above are correct  
d Both the statements above are wrong  
  
24 Which one of the following statements is correct?  
  
a Foreclosure can be done only with the consent of the policyholder  
b Foreclosure can be done only after informing the policyholder  
c Both the statements above are correct  
d Both the statements above are wrong  
  
25 Which one of the following statements is correct?  
  
a Revivals are not done unless the entire outstanding premium is paid  
b Revivals are not done unless the underwriter agrees  
c Both the statements above are correct  
d Both the statements above are wrong  
  
26 Which one of the following statements is correct?  
  
a Foreclosure action cannot be taken till a notice is served on the policyholder  
b When a foreclosure action is taken, nothing is payable to the policyholder  
c Both the statements above are correct  
d Both the statements above are wrong  
  
27 Which one of the following statements is correct?  
  
a The beneficiaries under the MWP Act can be any member of the family  
b A policy can be taken under the MMWP Act for the benefit of parents  
c Both the statements above are correct  
d Both the statements above are wrong  
  
28 Which one of the following statements is correct?  
  
a A presumption of death is not the same as proof of death  
b Presumption of death allows inheritance of property  
c Both the statements above are correct  
d Both the statements above are wrong  
  
29 When does a claim arise under an insurance policy?  
  
a Whenever the policyholder feels the need for money  
b When the insured events happen  
c When a premium is not paid  
d Whenever any of the three things mentioned above happen  
  
30 Which one of the following statements is correct?  
  
a Maturity claim cheques are paid to the trustees in a MWP Act case  
b Maturity claim cheques are paid to the beneficiaries in a MWP Act case  
c Both the statements above are correct  
d Both the statements above are wrong  
  
31 If a claim is made in January 2007 under a policy, which commenced in May 2002, stating that the life insured had died in April 2004,  
  
a Section 45 of the Act will not apply  
b The claim can be treated as an early claim  
c Foul play must be suspected  
d All the three statements above are correct  
  
32 Which one of the following statements is correct?  
  
a A policy reported to be lost, may actually have been assigned  
b A policy has no value after the payment of survival benefits  
c Both the statements above are correct  
d Both the statements above are wrong  
  
33 Which one of the following statements is correct?  
  
a The foreign exchange regulations apply if the life insured is a non-resident  
b The foreign exchange regulations apply if the claimant is a non-resident  
c Both the statements above are correct  
d Both the statements above are wrong  
  
34 State which of the following statements is correct  
  
a ULIPs provide for flexibility  
b ULIPs are better than traditional policies  
c Both the above statements are correct  
d Both the above statements are wrong  
  
35 State which of the following statements is correct  
  
a In ULIPs, the offer bid spread is the difference between the two prices  
b In ULIPs, the offer bid spread, will in some cases be zero  
c Both the above statements are correct  
d Both the above statements are wrong  
  
36 State which of the following statements is correct  
  
a In ULIPs the insurance cover must be a minimum multiple of the premium  
b ULIPs can be surrendered after two years  
c Both the above statements are correct  
d Both the above statements are wrong  
  
37 State which one of the following statements is correct  
  
a Life insurance is the best savings scheme for all persons  
b Life insurance is the best investment scheme for young persons  
c Both the statements above are correct  
d Both the statements above are wrong  
  
38 Which of the following statements is correct?  
  
a An insurance agent has fixed working hours  
b An insurance agent has to mark his attendance in office every day  
c An insurance agent works according to his schedule  
d An insurance agent cannot do any other work  
  
39 State which one of the following statements is correct  
  
a When vital information is not disclosed, the policyholder is benefited  
b When a claim is repudiated, the agent’s trustworthiness is affected  
c Both the statements above are correct  
d Both the statements above are wrong  
  
40 State which one of the following statements is correct?  
  
a The social sector is not only in the urban areas  
b The social sector includes the unorganized sector  
c Both the statements above are correct  
d Both the statements above are wrong  
  
41 State which one of the following statements is correct?  
  
a The Ombudsman’s authority is limited to claims matters only  
b The Ombudsman is not a judicial authority  
c Both the statements above are correct  
d Both the statements above are wrong  
  
42 State which one of the following statements is correct?  
  
a The tax provisions are the same for all kinds of savings  
b The tax provisions are included in the Constitution  
c Both the statements above are correct  
d Both the statements above are wrong  
  
43 A proposal for SA of Rs. 10 lakhs with DAB for monthly mode under SSS.  
Proposer had a previous policy of Rs. 5 lakhs with DAB. Proposal was  
accepted with health extra of Rs. 2.75 per thousand SA premium for DAB Re 1 per  
thousand. 5% extra for monthly mode. large SA rebate of Rs 2/- per thousand for  
1 lakh and above. Tabular premium Rs. 48.20 maximum total SA on which DAB is allowed is Rs. 10/- lakhs.  
Find monthly (SSS) premium, rounded off to the next higher rupee  
a 4102  
b 4121  
c 4183  
d 4195  
  
  
44 Find out surrender value on the basis of following data (the answer to  
be rounded off to the next lower rupee). SA Rs.30, 000 DOC- 15.6.1992,  
Endowment with profit - 30 years  
Due date of last premium paid 15-06-2007 mode half yearly  
Accrued bonus Rs.750/- per thousand SA. SV factor 23%  
a 3670  
b 3765  
c 8740  
d None of these  
  
45 A money back policy for SA. of Rs.50,000/- Matured after 25 years.  
Survival benefits of 15% each had been paid at the end of 5th, 10th, 15th,  
and 20th years. Bonus had accrued at Rs.965/- per Rs.1000/- SA. Interim bonus  
@ Rs.25/- per thousand SA is payable. What is the maturity claim amount?  
a 68250  
b 69500  
c 98250  
d 99500  
  
  
  
Correct Answers Practice Paper 6  
  
1 d 16 d 31 d  
2 a 17 c 32 a  
3 d 18 b 33 c  
4 c 19 c 34 a  
5 d 20 a 35 c  
6 a 21 b 36 a  
7 d 22 d 37 d  
8 d 23 d 38 c  
9 c 24 b 39 b  
10 a 25 d 40 c  
11 c 26 a 41 b  
12 c 27 d 42 d  
13 b 28 c 43 b  
14 c 29 b 44 c  
15 a 30 a 45 b