

**FELLOWSHIP EXAMINATION
GROUP INSURANCE & RETIREMENT BENEFIT
SCHEMES**

Time: 3 Hours]

[Total Marks : 100

Answer any **FIVE** questions only.
All questions carry 20 marks each.

	Marks
1. Write short notes on any four of the following:-	5 each
a) Free Cover Limit	
b) Index linked Pension Scheme	
c) Level Premium Term Assurance Scheme.	
d) Unit linked group gratuity Scheme.	
e) Contributory and Non-contributory Schemes.	
2. a) What is primary object of Group Insurance Scheme? Distinguish between Group Insurance and Individual Insurance?	10 each
b) A telephone call is received from Saint Xavier College, informing that their staff meeting is arranged at 4.30 pm on said day and as a Group Schemes Manager you have been called to address the meeting on Group Savings Linked Insurance Scheme offered by your company.	
Particulars of the college are :- It is a 50 year old college, Having total staff of 120, Break up of same is : Vice Principals – 4, Teaching Staff – 85, Clerical Staff – 18, Sub Staff – 12 and Principal – 1.	
Prepare detailed note highlighting following points :-	
i) Objective of Scheme	
ii) Eligibility conditions	
iii) Mode of Payment	
iv) Benefits on Superannuation/Death/Withdrawal	
v) Income Tax Benefits to employees	
vi) Data Required	
vii) Procedure for launching of the scheme.	
3. a) State the main methods of arranging pension schemes? Briefly bring out the advantages and disadvantages of each scheme?	10

- b) State Income Tax position indicating relevant sections of the Income-Tax Act, 1961 2 each
- i) Commuted Value
 - ii) Pension to employee
 - iii) Employees contribution to approved superannuation fund.
 - iv) Pension to widow.
 - v) Interest on superannuation fund from the point of view of fund.
4. a) Under Group Life Insurance Scheme 10
- i) Group underwriting &
 - ii) Experience Rating are 2 special features, explain these concepts.
- b) 'Gaurav' Investments Pvt. Ltd., a company employing 550 employees approached your company with the proposal that they desire to provide following benefits through Group Insurance Scheme, 10
- i) Leave encashment facility (lump sum payment) to their employees or their dependants on retirement, death, disablement and voluntary retirement.
 - ii) An insurance coverage on premature death of an employee.
- Whether any Group Scheme to cover needs of employer can be offered, If so, guide the representative of company on following points :-
- i) Nature of Scheme & Liability
 - ii) Benefits which can be covered.
 - iii) Administration of the Scheme.
 - iv) Income Tax Aspect
 - v) Data required
5. a) Elaborate while funding gratuity liability through insurance Cash Accumulation system of securing the Benefits is more advantageous than the Pure Endowment System. 10
- b) 'Ashoka' Marketing Pvt. Ltd., a company of 3 years old, Employees – 350 approached your company for introduction of Group Gratuity-cum Life Assurance Scheme under cash accumulation scheme. As a group insurance manager of your company guide the client on following points:- 10
- i) Salient Features of schemes offered by your company.
 - ii) How it works?
 - iii) Additional insurance coverage available to members.
 - iv) Income-Tax benefit available to employer.
 - v) Procedure for obtaining Income Tax Approval.

- vi) Data required.
 - vii) Steps required to be taken for launching the scheme.
6. Describe the Applicability of Employees' Provident Fund and Miscellaneous Provisions Act of 1952, and the various methods available to an employer to take care of his liability under this act. 20
7. a) Discuss the statement, "Group Gratuity Scheme is a Tri-Partite Agreement" 10 each
b) Define the enhanced death benefit that is available under the above Tri-Partite Agreement.
8. a) Why "Social Security Schemes" are needed and what is the Government's Role in this regard. 10 each
b) Examine the main features of "Janashree Bima Yojna" and "Shiksha Sahayog Yojana" of LIC of India.

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