

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

Time: 3 Hours]

[Total Marks : 100

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

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| 1. Write short notes on : (Any four) | 5 each |
| a) Irrevocable Trust | |
| b) Past service liability under Gratuity & Superannuation Schemes | |
| c) Group Selection and Group underwriting | |
| d) Insurable Interest under Group Schemes | |
| e) Why is defined benefit pension scheme losing its appeal. | |
| 2. 'Swati' Textiles has got insured superannuation Scheme with your insurance Company. The company has submitted claims under following members. As a group schemes manager how you will deal with these claims. | 5 each |
| a) An employee (Membership No. 107) resigned and joined the company where there is no insured superannuation scheme. | |
| b) An employee (Membership No. 111) resigned and joined the new company where there is insured superannuation scheme of your insurance company. | |
| c) An employee (Membership No. 113) voluntarily retired 3 yrs. prior to regular superannuation date. | |
| d) An employee (Membership No. 115) who has already attained his superannuation age, but his employer has granted extension of 3 yrs. and his company also desire to pay contribution against him during extended service. | |
| 3. a) List out the retirement benefits usually provided by an employer to employee in India at present and explore according to you what more new benefits can be added? | 10 each |
| b) Why and how Government encourages employers and employees for starting and continuing retirement benefit schemes? | |

4. a) State main methods available to employer for arranging for pension schemes for payment of pension to their employees? Compare advantages and disadvantages of each scheme, out of these Schemes which Scheme you will choose and why? 10 each
- b) State the Income tax position indicating relevant sections of Income-Tax Act, 1961
- i) Pension to employee
 - ii) Pension to widow
 - iii) Commuted value
 - iv) Employees contribution to approved Superannuation Fund
 - v) Interest on Superannuation Fund from the point of Fund.
5. a) "The hazard of premature death of the bread winner will cause sudden stoppage of income to the family. On the other hand living too long in old age after retirement is equally dreadful." 10 each
Elucidate the statement. Suggest how to combat these economic insecurities.
- b) What are the main factors which contributed to the rapid growth of superannuation schemes?
6. Of late there is massive T.V. and News Paper Advertisements from the Government of India High Lighting measures undertaken to elevate people below poverty line. Name any three such measures recently introduced by the Government in this regard and discuss salient features of any one of them. 20
7. Explain the merits and demerits of single and annual premium basis of costing under Group Superannuation Schemes. Also enumerate as to how a reasonable benefit can be provided to the widow and children of the deceased employee, in the event of premature death of the employee. 20
8. In Group Insurance Schemes the general practice is to charge an average premium for every member. Discuss its merits, while elucidating the impact of experiences rating adjustment under such cases. 20

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