

May, 2016

**GROUP INSURANCE & RETIREMENT
BENEFIT SCHEMES**

Reg. No.

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[Time : 3 Hours]

[Total Marks: 100]

Answer **EIGHT** questions only. **Q. No. TEN** is compulsory which carries **16** marks.

Any **SEVEN** questions from **Q. No. 1 to Q. No. 9** which carries **12** marks each

- | | Marks |
|--|---------------|
| Q.1. Write short notes on any four of the following: | 3 each |
| <ul style="list-style-type: none">a) Scientific basis of life insurance and its applicability to group Insurance.b) Annual premium and level premium concept.c) Cooling off period and its applicability to group insurance policies.d) Re-insurance and its applicability to group Insurance.e) Insurance intermediaries and relevant regulations. | |
| Q.2. Distinguish between any three of the following: | 4 each |
| <ul style="list-style-type: none">a) Group Insurance for employer- employee & non- employer- employee groups.b) Controlled funding & indefinite funding method for pension schemes.c) Trustee administered scheme & scheme of insurance.d) Group Superannuation Scheme & New Pension Scheme (N.P.S.) | |
| Q.3. a) Enumerate the various conditions essentials for approval of superannuation fund under Income Tax Act 1961. | 6 |
| b) Describe new investment pattern prescribed by Govt. Of India, w.e.f.1.4.2015 in respect of non-Govt. Provident Fund, Superannuation Funds & Gratuity Funds. | 6 |
| Q.4. Income tax provisions to both the employer and employee with relevant sections of the Income Tax in respect of the following. | 3 each |
| <ul style="list-style-type: none">a) Contributions to the Group Leave Encashment scheme, by the employer and Leave encashment benefit payable to the employee through this scheme on his retirement.b) Initials contributions paid in installments by a company towards a Gratuity Scheme with a life insurance company and how the same is treated while computing the income tax of an employee of the company.c) Commutation value payable to an employee on his retirement and treatment of subsequent pensions payable to the employee.d) Death benefit payable to the nominee in respect of claim payment under a Employers Group insurance Scheme, where the premiums are equally shared by the employer and employee. | |

Q.5.	a) What is recognized Provident fund?	3
	b) What benefits accrue to employer and employees under recognized PF?	3
	c) Discuss the important characteristics of LIC's Group Insurance Scheme in lieu of EDLI and state how they are different from other standard group insurance scheme.	6
Q.6.	a) "Social Security in India is still in infant stage." Examine the above statement.	6
	b) Comment on:	2 each
	i) Pradhan Mantri Jeevan Jyoti Bima Yojna (P.M.J.J.B.Y.),	
	ii) Pradhan Mantri Suraksha Bima Yojna (P.M.S.B.Y.),	
	iii) Aam Admi Bima Yojna (A.A.B.Y).	
Q.7.	a) What do you understand by "eligible group" in case of group insurance scheme?	6
	b) Define- 'group size', 'employer contribution', & "compulsory participation".	6
Q.8.	a) Discuss the statement, "Group Gratuity Scheme is a tri-partite agreement".	6
	b) Define the enhanced death benefit that is available under the above tri-partite agreement.	6
Q.9.	a) What do you understand by Group Creditor Insurance? Describe main features & objectives of the scheme.	6
	b) Quoting relevant provisions of Income Tax Act 1961, explain the tax benefit available to the employer & employee in respect of the following.	2 each
	i) Annual contribution made by the employer under approved Superannuation Scheme.	
	ii) Gratuity received by the employee on retirement.	
	iii) Premium paid by the employer under Group Term Insurance in lieu of EDLI.	
Q.10.	a) What are the optional pensions?	8
	b) Suggest best pension option in the following cases.--	2 each
	i) An employee who do not have any dependents to support.	
	ii) Employee who wants increase in pension amount to beat inflation.	
	iii) Employee who wants a separate pension for his wife.	
	iv) An employee wants equal pension for him & his wife.	

End