

GENERAL, FINANCIAL & INSURANCE AWARENESS MCQS

For LIC Assistant Mains
Exam 2019

General and Financial Awareness section is of prime importance in the **LIC Assistant Mains 2019** as it can help you fetch very high marks in the exam. As the cut off marks of various [Bank, Insurance and SSC Exams](#) skyrocket these days, scoring high marks in the GENERAL/FINANCIAL Awareness section will help you sail through the [LIC Assistant Mains](#) paper. Keeping the same in mind we have come up with **Insurance Awareness MCQs** to help you learn and retain important **Insurance Awareness** facts, concepts and general information important from exam point of view.



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Insurance Awareness MCQs – LIC Assistant Mains Exam 2019

Q.1. A nomination can be made only in favour of

- a. Parents
- b. Spouse and children
- c. Spouse
- d. Parents, spouse and children
- e. Any individual

Answer: e

Q.2. Select the expanded form of SA as commonly used in life insurance

- a. Sum Assured
- b. Surrender of Assurance
- c. Supplementary Assurance
- d. Stamp Act
- e. Survivor's Annuity

Answer: a

Q.3. Which product offered by insurance companies that, unlike a pure insurance policy, gives investors both insurance and investment under a single integrated plan?

- a. Money Back Plan
- b. Endowment Plans
- c. Term Insurance Plans
- d. Unit-linked insurance plan
- e. Micro Insurance Plans

Answer: d

Q.4. In which Policy, if the policyholder survives till the end of this period, the risk cover lapses, and no insurance benefit payment is made to him/her?

- a. Money Back Plan
- b. Endowment Plans
- c. Term Insurance Plans
- d. Unit-linked insurance plan
- e. Micro Insurance Plans

Answer: c

Q.5. In which Policy, the insurer agrees to pay the assured or his nominees a specified sum of money on his death or on the maturity of the policy whichever is earlier?

- a. Money Back Plan
- b. Endowment Plans
- c. Annuity Policy
- d. Unit-linked insurance plan
- e. Micro Insurance Plans

Answer: b

Q.6. Select the expanded form of SV as commonly used in life Insurance

- a. Summary Valuation
- b. Selected Value
- c. Surrender Value
- d. Stamp Value
- e. Survivor Value

Answer: c

Q.7. As per the Insurance Act, every insurer has to prepare at the end of financial year

- a. Balance Sheet
- b. Profit and Loss Account
- c. Revenue Account for each class of Insurance business
- d. Accounts of receipts and payments in respect of shareholders' funds
- e. All of the above

Answer: e

Q. 8. Which insurance company recently waives off charges on credit card payments?

- a. Bharti AXA Life Insurance
- b. Star Health Insurance
- c. Tata AIG General Insurance
- d. Life Insurance Corporation of India
- e. None of these

Answer: d

Q.9. To promote digital transactions, Life Insurance Corporation waive off the convenience fee on all payments to the national insurer, effective from_____

- A. 1st December 2019
- b. 31st December 2019
- c. 1st March 2020
- d. 1st April 2020
- e. None of these

Answer: a

Q.10. _____ principle in insurance means maximum truth.

- a. Subrogation
- b. Causa Proxima
- c. Insurable interest
- d. Contribution
- e. Mitigation of loss

Answer: b

Q.11. _____ principle means that the insured is not entitled to make a profit on his loss.

- a. Subrogation
- b. Indemnity
- c. Insurable interest
- d. Contribution
- e. Mitigation of loss

Answer: b

Q. 12. The purpose of _____ is to hold the negligent person responsible for the loss and prevent the insured from collecting twice for the same loss.

- a. Subrogation
- b. Indemnity
- c. Insurable interest
- d. Contribution
- e. Mitigation of loss

Answer: a

Q.13. Which principle in insurance mention the cause of loss must be direct and an insured one in order to claim for compensation?

- a. Subrogation
- b. Causa Proxima
- c. Insurable interest
- d. Contribution
- e. Mitigation of loss

Answer: b

Q.14. Which committee suggested the re-opening up of the insurance sector to private players?

- a. Rangrajan Committee
- b. R.N. Malhotra Committee
- c. Narasimhan Committee
- d. V S Vyas Committee
- e. None of these

Answer: b

Q.15. PNB Housing raises how much fund by issuing bonds to LIC?

- A. ₹250 crore
- b. ₹2,500 crore
- c. ₹150 crore
- d. ₹1,500 crore
- e. ₹3,200 crore

Answer: b

Q.16. Which of the following amendment has allowed cooperative societies to carry on insurance business?

- a. Insurance (Amendment) Act, 2000
- b. Insurance (Amendment) Act, 2001
- c. Insurance (Amendment) Act, 2002
- d. Insurance (Amendment) Act, 2003
- e. Insurance (Amendment) Act, 2005

Answer: c

Q.17. Which of the following in the insurance are just like the retailers of any consumer product who help in selling and distributing the product?

- a. Surveyors
- b. Loss assessors
- c. Agents
- d. Banks
- e. Company

Answer: c

Q.18. _____are independent professionals appointed by an insurance company to assess the loss or damage when a claim is notified under a policy issued by them.

- a. Surveyors
- b. Loss assessors
- c. Agents
- d. Brokers
- e. Underwriter

Answer: b

Q.19. _____are agents but they can sell policies of several life and non-life insurance companies at a time.

- a. Loss assessors
- b. Brokers
- c. Insurer
- d. Insured

e. Surveyors

Answer: b

Q.20. When the insurance companies tying up with banks to sell insurance such product is called _____

- a. Franchising
- b. Merger
- c. Bancassurance
- d. insurance linked banking
- e. All of the above

Answer: c

Q.21. Which among the following will lend ₹ 25000 Crore to National Highways Authority of India to fund highway projects?

- a. LIC
- b. NTPC
- c. SBI
- d. PNB
- e. IDBI

Answer: a

Q.22. The things or property insured is called _____ of the insurance

- a. Subject matter
- b. Insurable interest
- c. Policy
- d. Cover note
- e. Claimed property

Answer: a

Q.23. _____ is the professionals who evaluate and analyse the risks involved in insuring people and assets.

- a. Surveyors
- b. Loss assessors
- c. Agents
- d. Brokers
- e. Underwriter

Answer: e

Q.24. _____ is a voluntary termination of the contract by the policy holders.

- a. Report
- b. Surrender
- c. Prospectus
- d. Cover note
- e. Claim

Answer: b

Q.25. Which of the following means the act of throwing a part of the cargo overboard lighten the ship in emergencies?

- a. Cover note
- b. Premium
- c. Waiver
- d. Barratry
- e. Jettison

Answer: e

Q.26. Which of the following is contract between two insures i.e. original insurer and another insurer?

- a. Premium
- b. Cover note
- c. Reinsurance
- d. Co-insurance
- e. Double Insurance

Answer: c

Q.27. Which of the following involves proportionate sharing of the insurance among more than one insurer?

- a. Premium
- b. Cover note
- c. Reinsurance
- d. Co-insurance
- e. Double Insurance

Answer: d

Q.28. When the amount for which a subject matter is insured is more than its actual value, it is called _____

- a. Premium
- b. Cover note
- c. Reinsurance
- d. Co-insurance
- e. Double Insurance

Answer: e

Q.29. Which among the following defines the process of converting physical certificates into electronic form?

- a. Liquidity
- b. Accessibility
- c. NEFT
- d. DEMAT
- e. ANBC

Answer: d

Q.30. The government has set a target to raise health services expenditure to _____ percentage of GDP by 2025

- a. 3%
- b. 5%
- c. 2.5%
- d. 2.8%
- e. None of these

Answer: c



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