

Eastern University, Sri Lanka

Faculty of Commerce and Management

**Fourth Year First and Second Semester Examination in Bachelor of Commerce 2012/2013
(Special Repeat). March/April 2015**

Com 4013 Insurance and transport

Time duration: 03 Hours

Answer all questions

1. There are several modes of transport available for the transportation of goods and services from one place to another. But each one of the modes have their own disadvantages and advantages.
- a) List out the different modes of transport available in Sri Lanka and give a brief description of each of it. **(10 Marks)**
- b) No single mode of transport is complete in providing a satisfactory service to the customers. Critically analyse the above statement with a suitable example. **(10 Marks)**
- (Total 20 Marks)**
2. (a) Discuss the importance of transport and insurance to the economic development of a rural community in Sri Lanka. **(10 Marks)**
- (b) Is the development of these two sectors advantageous or disadvantageous to a small scale businessman located in a remote town? **(10 Marks)**
- (Total 20 Marks)**
3. Risk can be defined in different contexts and approaches.
- (a) Give the definition of risk in the context of Insurance. **(04 Marks)**
- (b) What do you understand by uncertainty **(04 Marks)**
- (c) Differentiate risk from uncertainty **(04 Marks)**
- (d) Explain how the need for Insurance arises through the basic description of Insurance **(08 Marks)**
- (Total 20 Marks)**

4. Globally Insurance is governed by the "Principles of Insurance"

(a) What do you understand by "Principles of Insurance" **(04 Marks)**

(b) List out the "Principles of Insurance" practiced in Sri Lanka. **(08 Marks)**

(c) Choose any two "Principles" from your list and explain its applicability with simple examples.

(08 Marks)

(Total 20 Marks)

5. Briefly analyse and discuss the following

(a) Advantages of Road transport over Rail transport **(05 Marks)**

(b) Life Assurance as a tool for saving **(05 Marks)**

(c) Insurance and Transport add value to goods and services **(05 Marks)**

(d) Private transport system has more advantage than the public transport system.

(05 Marks)

(Total 20 Marks).