

STUDY4INSURANCE

This document provides a collection of memory-based questions previously encountered in the IC 99 ASSET MANAGEMENT. Compiled from the recall of past candidates, these questions offer valuable insight into the types of problems, question patterns, and key topics frequently tested. Use this resource to supplement your preparation, test your understanding, and familiarize yourself with the exam format. Please note that these are based on memory and may not be exact replicas of actual exam questions.

For the more memory-based questions, you can join our [Telegram Channel](#).

IC 99 (ASSET MANAGEMENT)

1. Among the given options, identify the one that is different. Unsystematic risks are characterized by which of the following?
2. X intends to invest in a bond featuring a collateral provision. Could you elucidate this provision for X?
3. Which of the following financial instruments does not necessitate any initial net investment?
4. Beyond preferential allotment, can you propose a rapid method for companies to raise capital through private placement?
5. Which of the following constitutes a debt instrument?
6. Duration analysis quantifies the volatility exposure of what?
7. In a Relative Strength Index (RSI), on a scale of 0 to 100, at what point is a low level indicated?
8. Under which circumstance might a financial institution experience a loss of liquidity in the market?
9. Are there specific requirements mandated by IRDAI that are emphasized in Asset Liability Management but not in Asset Management?
10. What is the reason behind calling certain bonds "income bonds"?
11. The liquidity of an asset is a crucial factor in investment decisions. Which of the following scenarios can expose an investor to liquidity risk?

12. How is "Claim Reserve" defined?
13. ABC Company submitted a draft offer document to SEBI, and SEBI did not issue any observations regarding the issue. Within what timeframe can the company now proceed with a public issue?
14. According to SEBI guidelines, existing banks, brokers, and financial institutions are eligible to become Depository Participants (DPs) in the Demat process. How does utilizing these existing distribution channels benefit the depository?
15. What term reflects the volatility of an investment's return in relation to market fluctuations?
16. As per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, what is the stipulated period within which a company must complete the allotment of securities offered to the public, starting from the closure date of the issue?
17. What is the significance of Section 11(4) of the SEBI Act 1992?
18. What financial instruments are also commonly referred to as deferred payment instruments?
19. As per IRDAI's Exposure norms, what is the maximum permissible exposure limit for an investee company concerning investments in equity shares, preference shares, and debentures?
20. X wishes to invest in real estate. In which of the following categories can X make an investment?
21. Which provision in a bond contract imposes restrictions on the management of the bond issuer firm, thereby assuring bondholders that the issuing firm will honor its commitments regarding interest payments and principal repayment at the stipulated time?
22. What does 'Delisting of shares' refer to?
23. What is a cross rate? Please provide an explanation.
24. ABC Insurance Company has invested in Zero Coupon Bonds. What are the distinguishing characteristics of these bonds?
25. In the context of an actuarial investigation, what is meant by the "Valuation date"?
26. What term refers to the debt contract that includes specific details of the issue, such as repayment terms, various provisions, and restrictive covenants?
27. X has invested Rs 50,000 in a mutual fund scheme. X intends to hold these funds for the long term and anticipates significant capital appreciation, understanding that

premature withdrawal might lead to losses. Based on this, what type of fund has X likely invested in?

28. As per IRDAI guidelines, for a life insurance company, what is the permissible exposure to a public limited 'Infrastructure investee company' in the case of debt?
29. Bonds that possess high credit ratings are commonly referred to as what?
30. What is the term for a rate at which currencies are exchanged for immediate delivery on the same day?
31. What should be the primary objective of investment for any organization?
32. X is conducting a trend analysis and observes minimal upward or downward movement in the peaks and troughs. What type of trend does this indicate?
33. The Indian Mutual Fund market was opened to private players in 1993 with the adoption of the LPG Model. What does 'LPG' stand for?
34. X is interested in investing in derivatives. Which of the following products is an option for him to invest in?
35. As per IRDAI regulations, every insurer is required to establish an Investment Committee. What is the minimum number of non-executive Directors of the Insurance Company that should be part of this Investment Committee?
36. What term describes an insurer's capacity to fulfill its claim obligations?
37. Which of the following types of risk can be mitigated or eliminated through portfolio diversification?
38. Which government departments are responsible for analyzing proposals for Foreign Direct Investment (FDI) submitted via the Government route?
39. At the national level, foreign exchange reserves are used for forex storage. In what forms does the Government typically hold these forex reserves?
40. Which of the following risks is generally not insurable?
41. Portfolio A yielded a return of 14% in the last fiscal year. However, investors believe that the expected return of Portfolio A is 12%, considering similar portfolios with comparable risk. Can you calculate Jensen's alpha in this scenario?
42. Given an exchange rate of USD/CHF at 0.0512 and CHF/JPY at 0.0525, what would be the implied USD/JPY exchange rate?