

BA LLB
FOURTH SEMESTER
INSURANCE LAW
BLB - 406 H₂
(USE OMR SHEET FOR OBJECTIVE PART)

**SET
A**

Duration: 3 hrs.

Full Marks: 70

Time: 30 min.

Marks: 20

(Objective)

Choose the correct answer from the following:

1 × 20 = 20

- Insurance works on the principle of:
 - Sharing of losses
 - Probabilities
 - Large numbers
 - All of the above
- Insurance helps to:
 - Prevent adverse situations from occurring
 - Reduce the financial consequences of adverse situations
 - Negate all consequences of adverse situations
 - Make assets continuously productive
- The term 'Risk' includes:
 - Damage to machinery and property
 - Impact on the health or life of a person
 - Leakage of toxic products into the atmosphere
 - All of the above
- The main purpose of having Life insurance is:
 - As an avenue for long-term investment
 - As a medium for getting income tax benefits from savings
 - As a governmental programme for reducing poverty
 - None of the above
- Which of the following types of insurances is mandatory?
 - Motor Own Damage
 - Motor Third Party Legal Liability
 - Personal Accident Insurance
 - Product Liability
- In 'Hit and Run' cases, claims are settled from:
 - Solatium Fund
 - IRDA's contingency Fund
 - Insuring Company's reserves
 - Motor Third Party Pool
- Principle of utmost good faith is also known as:
 - subrogation
 - causa proxima
 - insurable interest
 - uberrima fides
- _____ principle in insurance mention the cause of loss must be direct and an insured one in order to claim for compensation:
 - subrogation
 - causa proxima
 - indemnity
 - uberrima fides

9. The IRDA was set up in:
- | | |
|---------|---------|
| a. 1999 | b. 1991 |
| c. 2000 | d. 2001 |
10. The IRDA stands for:
- | | |
|---------------------------------------------------|------------------------------------------------------|
| a. Insurance Regulatory and Development Activity | b. Insurance Reconstruction and Development Activity |
| c. Insurance Regulatory and Development Authority | d. Insurance Regulatory and Department Activity |
11. _____ was constituted as an autonomous body to regulate and develop the business of insurance and reinsurance in India:
- | | |
|---------|---------|
| a. LIC | b. GIC |
| c. IRDA | d. NBFC |
12. Insurance provides security against:
- | | |
|-------------------|-----------------|
| a. Risk | b. Losses |
| c. Both (a) & (b) | d. None of them |
13. A contract of insurance is a _____ agreement:
- | | |
|---------------------|------------------|
| a. Contingent | b. Constant |
| c. Both (a) and (b) | d. None of these |
14. _____ was the first Indian Insurance Company:
- | | |
|-----------------------------------------------|----------------------------------|
| a. Bombay Mutual Assurance Society Ltd. | b. Bombay Insurance Society Ltd. |
| c. Insurance Regulatory Development Authority | d. General Insurance Corporation |
15. Risk is evaluated on the basis of _____ theory:
- | | |
|----------------|---------------------|
| a. Variability | b. Contingency |
| c. Probability | d. All of the above |
16. Which of the following insurance contract is not based on the principle of indemnity?
- | | |
|-------------------|---------------------|
| a. Fire insurance | b. Marine insurance |
| c. Life insurance | d. All of the above |
17. Motor insurance provides insurance cover to:
- | | |
|---------------------|------------------------|
| a. Private vehicles | b. Commercial vehicles |
| c. Motorcycles | d. All of the above |
18. Marine insurance may cover loss or damage to the _____
- | | |
|------------------------------------------|---------------------|
| a. Ship | b. Cargo |
| c. Any other subject of Marine adventure | d. All of the above |
19. From the following which is the importance of life Insurance?
- | | |
|--------------------------|----------------------|
| a. Encourage investments | b. Credit worthiness |
| c. Tax benefit | d. All of the above |
20. If the insured dies before the expiry of the term of the policy, is known as:
- | | |
|----------------|-----------------|
| a. Surrender | b. Fore closure |
| c. Death claim | d. Death Policy |

(Descriptive)

Time : 2 hrs. 30 min.

Marks : 50

[Answer question no.1 & any four (4) from the rest]

1. Examine the fundamental principles and key provisions of Insurance Law, focusing on the legal framework governing insurance contracts and the rights and obligations of the parties involved. 10

2. Discuss the concept of insurable interest and its significance in determining the validity of an insurance contract. 10

3. Explore the types of insurance contracts, highlighting their respective features and legal implications. 10

4. Discuss the key features, principles, and kinds of life insurance policies. 10

5. Analyze the nature of fire insurance as a form of property insurance and discuss the various kinds of fire insurance policies. 10

6. What are the key factors that determine the cost of marine insurance and how do they impact coverage and premiums? Discuss the kinds of marine insurance. 10

7. What is the significance of third-party compulsory motor vehicle insurance, and what are the key aspects that individuals need to understand about this type of insurance coverage? 10

8. Write short notes (*Any two*) 5+5=10
 - a. Storm and Tempest Insurance
 - b. Goods in Transit Insurance
 - c. Burglary and Theft Insurance

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