

**BBA LLB
FOURTH SEMESTER
INSURANCE LAW
BBLB - 406H₂ BL**
[USE OMR FOR OBJECTIVE PART]

**SET
A**

Duration: 3 hrs.

Full Marks: 70

Time: 30 min.

(Objective)

Marks: 20

Choose the correct answer from the following:

1×20=20

1. The person who seeks protection against a risk and to whom the insurance policy is issued is known as-
 - a. Insurer
 - b. Customer
 - c. Insured
 - d. Creditor
2. Uberrimae fidei means that-
 - a. Principle of utmost good faith
 - b. Principle of insurable interest
 - c. Principle of indemnity
 - d. Principle of subrogation
3. Which principle means that make good or compensate the loss?
 - a. Principle of contribution
 - b. Principle of subrogation
 - c. Principle of insurable interest
 - d. Principle of indemnity
4. _____ of a life policy means transferring the rights of the insured in respect of the policy to another one
 - a. Nomination
 - b. Consideration
 - c. Assignment
 - d. Agreement
5. _____ is the price paid by the insured for the risk undertaken by the insurer
 - a. Wages
 - b. Premium
 - c. Salary
 - d. Compensation
6. _____ means voluntary termination of the contract of life insurance by the policy holder
 - a. Key man insurance policy
 - b. Master policy
 - c. Group insurance policy
 - d. Surrender of policy
7. Insurance Act came into existence on _____
 - a. 1956
 - b. 1938
 - c. 1948
 - d. 1988
8. Which policy is taken to cover loss on those goods which are lying in different places and the stock value will be continuously fluctuating?
 - a. Floating policy
 - b. Comprehensive policy
 - c. Declaration policy
 - d. Average policy

9. Insurance can be defined as a
 - a. Contract
 - b. Social device
 - c. Cooperative device
 - d. All
10. Principle of insurable interest means _____
 - a. Utmost good faith
 - b. Subrogation
 - c. Monetary interest
 - d. Indemnity
11. The principle of subrogation is an extension of which principle?
 - a. Principle of indemnity
 - b. Principle of utmost good faith
 - c. Principle of insurable interest
 - d. Principle of contribution
12. A _____ is a person to whom the management of a particular property is entrusted for the exclusive benefit of a third party
 - a. Customer
 - b. Beneficiary
 - c. Agent
 - d. Trustee
13. Risk is the chance of _____
 - a. Benefit
 - b. Accident
 - c. Loss
 - d. Event
14. _____ is a method of transferring a portion of risk to another insurer
 - a. Re- insurance
 - b. General insurance
 - c. Double insurance
 - d. None of these
15. _____ is essential for the contracting parties to disclose all material facts relating to the contract
 - a. Utmost good faith
 - b. Insurable interest
 - c. Certainty of the event
 - d. None of these
16. Insurance is a contract of _____
 - a. Surety
 - b. Guarantee
 - c. Gain
 - d. None of these
17. According to the Principle of _____, the insurer is liable only for those losses which are most closely caused by the peril insured against.
 - a. Contribution
 - b. Guarantee
 - c. Causa Proxima
 - d. Indemnity
18. Stepping into the shoes of the other is applicable to the principle of _____
 - a. Causa Proxima
 - b. Guarantee
 - c. Subrogation
 - d. Contribution
19. _____ insurance cover loss or damage to a ship and intranist cargo over the water ways land and air
 - a. Motor insurance
 - b. Marine insurance
 - c. Health insurance
 - d. Fire insurance

20. Mr. X the owner of a property insures it against fire for Rs 75000 with company A and Rs 50000 against with company B, It is an example of?
- a. Re - insurance
 - b. Fire insurance
 - c. Double insurance
 - d. Renewal of insurance

(Descriptive)

Time : 2 hrs. 30 min.

Marks : 50

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

1. "Insurance is a Contract of outmost good faith" - Explain. 10
2. What are the main principles of Insurance under Insurance law? Elaborate referring to case laws. 10
3. What is Risk. What are the circumstances affecting risk? 10
4. Give a brief overview of the IRDA Act. What are the powers and functions of IRDA. 10
5. Explain Fire Insurance. What is the scope of its coverage, including both covered and excluded losses? 10
6. Write a short note on the meaning of contributory negligence. What are the exceptions to the rule of contributory negligence. 3+7=10
7. Define Principle of Contribution and illustrate it with a suitable example. 10
8. What is claim settlement? What are the types of claims in life insurance policy? Explain. 10

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