



**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**End Semester Examination, December 2021**

**Course: Insurance and Risk Management**  
**Programme : B Com LLB Hons.**  
**Time: 03 hrs.**

**Course Code: FINC2068**  
**Semester: III**  
**Max. Marks: 100**

**Instructions: All questions are compulsory.**

<b>S. No.</b>	<b>Section A. Each question is of 2 marks</b>	<b>Marks</b>	<b>CO</b>
Q1.	There are many types of insurance which a person needs in order to protect himself from different types of risks. Explain them in brief.	<b>2</b>	<b>1</b>
Ans.			
Q2.	The role of insurance intermediaries is very important in insurance business. Explain this statement.	<b>2</b>	<b>3</b>
Ans.			
Q3.	What are the different types of business risks. Explain	<b>2</b>	<b>2</b>
Ans.			
Q4.	An insurer has to adopt many strategies for achieving success in insurance business. What strategies are to be followed?	<b>2</b>	<b>2</b>
Ans.			
Q5.	What are the requirements of insurable risk? Briefly explain any four of them.	<b>2</b>	<b>1</b>
Ans.			
	<b>Section B Each question is of 5 marks</b>		
Q1.	Life insurance is very important for each and every person as it provides many benefits to all members of family including the insured and it is most important among all types of insurance. How it is beneficial. Give reasons.	<b>5</b>	<b>3</b>
Ans.			
Q2.	An individual needs protection from health and different types of diseases. Moreover a person is never interested in spending all his savings in medical expenses. Name and describe the concept mentioned in above statement.	<b>5</b>	<b>2</b>
Ans.			
Q3.	There are certain risks which are not insurable by a insurance company. What are those risks called and how a firm can manage it.	<b>5</b>	<b>2</b>
Ans.			
Q4.	It is the duty of the insured to disclose full information correctly while taking insurance and no material facts should be hid from insurer. Which concept in indicated in this statement. Explain	<b>5</b>	<b>1</b>
Ans.			
	<b>Section C Each question is of 10 marks</b>		

Q1.	Insurance is based on clients facts disclosed and information provided during the contract. In the light of this statement, what are the principles of insurance which are to be followed in a contract of insurance?	10	3
Ans.			
Q2.	Insurance is a tool in the hands of taxpayer through which he can save tax on his income. Explain how life insurance and health insurance enables a tax payer to do so.	10	2
Ans.			
<b>Section D Each question is of 25 marks</b>			
Q1.	A person took an insurance of motor vehicle from a insurance company for Rs.2,000 in which there is an insurance cover of Rs.50,000. He took an another insurance policy from another insurance company for Rs.3,000 in which there is an insurance cover of Rs.40,000. One day he met with an accident and the motor vehicle was destroyed badly. The total expenditure of repairing it was Rs.60,000. The insured approached both insurance companies and demanded Rs.50,000 and Rs.40,000 from them. Is he justified (yes/no). What is the correct procedure of demanding claim in it.	25	2
Ans.			
Q2.	Risk can arise any time and in case of every business or life of an individual. Proper risk management reduces many errors and omissions and makes a businessman feel confident. This enables him to run his business smoothly and confidently. As an insured what are the benefits you get from risk management.	25	3
Ans.			