

Code: 14E00316

MBA III Semester Regular & Supplementary Examinations November/December 2016

RISK MANAGEMENT & INSURANCE

(For students admitted in 2014 & 2015 only)

Time: 3 hours

Max. Marks: 60

PART - A

(Answer the following: (05 X 10 = 50 Marks))

1 What is risk management? Discuss the functions of risk management.

OR

2 What are the risk management techniques? Explain.

3 When do we select option CassControl? Give a detailed explanation.

OR

4 What are the characteristics of insurance contract?

5 Distinguish between life insurance and general insurance.

OR

6 Briefly comment on the life insurance demand and outlook in India context.

7 What are the legal provisions available in property and liability coverage in insurance?

OR

8 What are the legal aspects in insurance contract? Explain.

9 What are the employee benefit plans available in India today?

OR

10 Distinguish between health care financing and health insurance.

PART - B

(Compulsory question, 01 X 10 = 10 Marks)

11 **Case study:**

Nicole is applying for a health insurance policy. She has a chronic liver ailment and other health problems. She has honestly disclosed the true facts concerning her medical history to the insurance agent. However, the agent did not include all the facts in the application. Instead, the agent stated that he was going to cover the material facts in a separate letter to the insurance company's under – writing department. However, the agent did not furnish the material facts to the insurer and the contract was issued as standard. A claim occurred shortly thereafter. After investigating the claim, the insurer denied payment. Nicole contends that the company should pay the claim because she answered honestly all questions that the agent asked.

(a) On what basis can the insurance company deny payment of the claim?

(b) What legal doctrines can Nicole use to support her argument that the claim should be paid?
