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19 (VI) INSL 6-3 (Op)

2018

INSURANCE LAW

Paper : 6-3 (OP₄)

Full Marks : 80

Time : Three hours

The figures in the margin indicate full marks for the questions.

Answer all the questions.

1. Choose the correct answer : $1 \times 10 = 10$
 - (a) Insurance is listed in entry _____ of the Seventh Schedule to the Constitution of India. (47/50)
 - (b) In the absence of insurable interest in the subject matter of insurance, a contract of insurance becomes _____ and is reduced to a mere wager. (void/illegal)
 - (c) Every person who is willing and ready to pay premium is entitled to get insured. (True/False)
 - (d) Marine Insurance covers risk other than perils of sea. (True/False)

- (e) In a contract of re-insurance, there is privity of contract between the original insured and the re-insurer. (True/False)
- (f) A contract of Life Insurance _____ (is a contract of indemnity/is not a contract of indemnity)
- (g) Life Insurance business is defined u/s _____ of the Insurance Act, 1938. [2(ii)/2(iii)]
- (h) Any offence punishable under section 9 of the Personal Injuries (Compensation Insurance) Act, 1963 _____ compounded by the Central Government.(may be/shall not be)
- (i) Under section 4 of the Fatal Accidents Act, 1855, the word parents include grandparents also and the word 'child' includes grandchild also. (True/False)
- (j) Third Party Liability Insurance is a kind of _____. (compulsory insurance/non-compulsory insurance)

2. Answer the following : 5×2=10
- (a) Is Insurance a contract of adhesion ?
- (b) What is Forfeiture of Life Policies ?
- (c) Define Policy.
- (d) Who is a 'workman' under Personal Injuries (Compensation Insurance) Act, 1963 ?
- (e) Differentiate between 'risk' and 'peril'.

3. Explain in brief the various contractual and specific principles applicable to Insurance. Is Insurance a standard form contract? 10+2=12

Or

Write a note on the historical development of the Law of Insurance in India. Also mention the relevant entries in the Constitution of India pertaining to Insurance. 8+4=12

4. What do you understand by the nomination and assignment of life policies ? State by citing appropriate legal provisions the rules for nomination and assignment. Also highlight the difference between absolute and conditional assignments. 2+6+4=12

Or

Write notes on : 4×3=12

- (a) Double Insurance and Re-insurance
- (b) Salient features of the Insurance Act, 1938
- (c) Commencement attachment and duration of risk and Insurer's liability.

5. Define 'Life Insurance'. Examine the applicability of the Principle of "causa proxima" and "subrogation" to a contract for Life Insurance by citing case laws. Is an insurer liable if the insured commits suicide ? 2+8+2=12

Or

Explain in detail the procedure for recovery of amount payable under life policies. Who are the persons entitled to payment and settlement of claim amount ? $8+4=12$

6. Examine the principle of "composite negligence" and "contributory negligence" for the purpose of assessment and apportionment of compensation and liability under the provisions of the Fatal Accidents Act, 1855 and as well as the provisions of the Motor Vehicles Act, 1988 requiring Third Party Insurance. 12

Or

Examine the salient features of the following legal provisions :

- (a) Persons entitled to claim compensation under the Fatal Accidents Act, 1855.
- (b) "Compulsory Insurance" under the Personal Injuries. (Compensation Insurance) Act, 1963. $6+6=12$
7. What do you understand by the term "Property Insurance" ? What are the different types of Property Insurance ? Whether a peril of loss to one's property on account of criminal act of a third party can be insured. $2+8+2=12$

Or

What is a Marine Insurance ? Discuss the subject-matter of Marine Insurance. What risks are normally covered under a marine policy ? $2+6+4=12$