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21 (9) INSL 9.4

**2020**

(Held in 2021)

**INSURANCE LAW**

Paper : 9.4

Full Marks : 56

Time : 2½ hours

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

**PART-A**

1. Choose the correct answer :  $1 \times 7 = 7$

(i) 'Cover note' is a document issued in advance of the *policy/issued* after the issuance of the policy.

(ii) Measures of indemnity of total loss is provided by section 67/68 of the Marine Insurance Act, 1963.

(iii) 'Insurance Intermediaries' *includes/ doesn't include* surveyors and loss assessors according to the IRDA Act, 1999.

Contd.

- (iv) *Risk/Peril* is insured in a contract of insurance.
- (v) The Principle of *uberrima fides* is statutorily recognised under section 45/46 of the Insurance Act, 1938.
- (vi) Claim is *admissible/not admissible* in a contract of life insurance if the insured commits suicide.
- (vii) Offences under the Personal Injuries (Compensation Insurance) Act, 1963 are *compoundable/non-compoundable*.

2. Answer the following questions : 2+2+3=7

- (i) Define 'Compulsory Insurance' under the Personal Injuries (Compensation Insurance) Act, 1963.
- (ii) What is 'burglary insurance'?
- (iii) Who is a 'third party' in a TP insurance? Whether 'third party' includes the government? Cite relevant legal provisions.

3. Give a brief account of the legal and regulatory framework of insurance in India by citing relevant constitutional provisions relating to insurance. 7

**Or**

Explain in brief the general procedure for settlement of insurance claim. 7

4. What is the law relating to third party insurance in India? 7

**Or**

Under what circumstances is compensation payable under the Fatal Accidents Act, 1855? State citing case laws as to who are entitled to claim compensation under the Act. 7

**PART-B**

5. (a) State the legal provisions as regards nomination and assignment of life policies. 8

(b) H, a policyholder nominates his wife W as the nominee. Later on W dies and H marries X. Thereafter H dies. Discuss as to whether—

- (a) X, the second wife of H can claim the money as nominee?  
(b) if not, how can she claim the money from the insurer?

6

**Or**

- (a) Explain the principle of "*causa proxima non remota spectator*" as it is applied to the field of insurance. 8
- (b) A effected insurance on his goods worth Rs. 50,000 against loss or damage by fire. Later his wife quarrelled with him and set fire to the goods and as a result the goods were destroyed. Is A entitled to recover under the policy? 6
6. (a) What is a contract of marine insurance and what risks are generally covered in a marine policy? 8
- (b) A ship was insured against losses resulting from collision. There was a collision and the ship was delayed for a few days. Owing to the delay, a cargo of oranges in the ship became unfit for human consumption. Is the insurer liable to pay? 6

**Or**

- (a) State the legal provisions as to the assignment of marine policy. 8

- (b) X insured goods which were in transit on board a ship and sold the same to C. The goods were subsequently lost by a peril insured against. C as the assignee of the policy claims to recover the money due under the policy but the insurer contends that C had no insurable interest in the goods at the time they were insured. Discuss whether C will succeed? 6