

Fourth Semester LL.B. Three Years Course (C.B.S.) Examination

INSURANCE LAW

Optional Paper-5

Time : Three Hours]

[Maximum Marks : 80

N.B. :— (1) Attempt all sections. Section 'A' consists of **10** marks. Section 'B' consists of **30** marks, Section 'C' consists of **40** marks.

(2) Follow the instructions given in each Section.

(3) Marks are indicated against each question.

SECTION—A

1. Choose the correct alternative (any **ten**) : 1×10=10
- (i) The General Insurance Corporation of India was formed under _____ .
- (a) General Insurance Business Act, 1972
 (b) Insurance Act, 1938
 (c) Insurance Amendment Act, 2002
 (d) IRDA Act, 1999.
- (ii) In Insurance contract uberrima fides aspect is used as system of _____ .
- (a) Insurable Interest
 (b) Free consent of parties
 (c) Utmost good faith
 (d) Legality of consideration.
- (iii) Motor Vehicle Insurance began in _____ .
- (a) U.K. (b) U.S.A.
 (c) India (d) Japan.
- (iv) The main cause of loss or damage is _____ .
- (a) Proximate cause
 (b) Indirect loss
 (c) Consequential loss
 (d) All of the above
- (v) Which of the following Insurance contracts is not based on the principle of indemnity ?
- (a) Fire Insurance
 (b) Marine Insurance
 (c) Life Insurance
 (d) None of the above.
- (vi) Employees' State Insurance Corporation was established in
- (a) 1968 (b) 1958
 (c) 1948 (d) 1988
- (vii) Risk is evaluated on the basis of _____ .
- (a) Variability (b) Contingency
 (c) Probability (d) All of the above.

- (viii) Marine Insurance is contract of _____ .
- (a) Increment (b) Indemnity
(c) Maturity (d) None.
- (ix) Corp. Insurance covers the risk of _____.
- (a) Drought (b) Storm
(c) Natural fire (d) All of the above
- (x) _____ means to make good the Actual loss and nothing more than the Actual loss.
- (a) Indemnity (b) Subrogation
(c) Contribution (d) None
- (xi) Motor Insurance provides the cover to
- (a) Private vehicles (b) Commercial Vehicles
(c) Motor cycles (d) All of the above.
- (xii) _____ means closure or writing off the policy before its actual maturity
- (a) Free closure (b) Surrender
(c) Endorsement (d) Cover Note
- (xiii) Fire Insurance came into existence after great fire of London in :
- (a) 1666 (b) 1866
(c) 1687 (d) 1967
- (xiv) Constitution of Life Insurance Corporation of India shall consist of minimum _____ persons.
- (a) 8 (b) 18
(c) 16 (d) 11
- (xv) Perils of the Sea excludes _____ .
- (a) Explosion on ship (b) Springing a leak
(c) Dashing of ship (d) Spoilage of cargo due to sea water.

SECTION—B

Note : — Both the questions in this section are compulsory.

2. Answer the following (any **three**) : 5×3=15
- (a) Explain the classification of contract of Insurance.
(b) 'No Insurable interest - No Insurance'. Explain.
(c) Explain Personal Accident Insurance.
(d) Write note on the perils of sea.
3. Write short notes on (any **three**) : 5×3=15
- (a) Floating policy and time policy.
(b) Premium
(c) Change of voyage
(d) Characteristics of Fire Insurance.

SECTION—C

Note :— Answer the following (any **five**) :

8×5=40

4. Define the term Life Insurable. 'An Insurable interest is essential in Life Insurance contract.' Explain.
5. Explain the nature and scope of Marine Insurance. What are the fundamental principles of Marine Insurance ?
6. De-regulation of Insurance Sector has contributed in overall development of Indian economy—comment.
7. What is premium ? What is the effect of non-payment of premium on policy ? What reliefs are provided under Grace Period ?
8. Distinguish between Life Insurance and Marine Insurance.
9. Discuss Cattle Insurance and problems associated with it.
10. Discuss the meaning and nature of Fire Insurance contract. Discuss briefly Insurable interest with reference to Fire Insurance.
11. Discuss the composition, duties and functions of IRDA 1999.