

(3 Hours)

[Total Marks: 100

- N.B. : (1) Answer all questions.  
(2) Figures to the right indicate marks.

1. Write answers in one or two lines: 20

- 1) What is Insurable Interest?
- 2) What is Re-insurance?
- 3) What is understood by the term uberrima fides
- 4) State the 'Principle of no fault' under Public Liability Insurance Act, 1991.
- 5) Name the different perils of seas.
- 6) What is a Premium notice?
- 7) What is Fire Insurance Business?
- 8) What is Aleatory Contract?
- 9) What is discharge of Contract?
- 10) What is disability benefits?

2. Write Short Notes on any four of the following: 20

- 1) Benefits of Insurance.
- 2) Social Insurance.
- 3) Motor Accidents Claims Tribunal.
- 4) Principle of Indemnity.
- 5) Employer's Liability Insurance.
- 6) Controller of Insurance under Insurance Act, 1938.

3. Answer any two of the following: 12

- 1) "X"'s claim under the Medclaim policy was repudiated by the Insurance Company. "X" filed complaint under the Consumer Protection Act, 1986. The claim was repudiated and repudiation communicated to "X" on 01-01-2015. The complaint was filed on 21-03-2017.
  - i) Is the complaint maintainable before the Consumer Forum?
  - ii) Is there any period of limitation fixed for filing complaint before the Consumer Forum? If yes, state the period of limitation.

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- 2) Mr. Vijay was an owner of the private car & his car was insured under the comprehensive policy, He was using his car for Tours & Travels without travelling license. His car was met with an accident on Bangalore highway & driver along with other two passengers died on the spot.
- Is Mr. Vijay entitled to get the compensation of damaged car? Why?
  - Whether a legal heir of the deceased persons will get the compensation by the Insurance Company? Why?
- 3) Mr. Kumar & his wife each signed a proposal for a joint life policy on their lives & both contributed towards the premium. After the policy was taken the wife committed suicide & the husband claimed the sum assured. The insurer alleged that at the time of taking the policy the husband had no insurable interest in his wife's life.
- Does the husband have any insurable interest in the life of his wife?
  - Is Insurable interest a statutory requirement under the Insurance Act? Why?
- 4) Answer in detail (any four):
- Discuss the principles in Public Liability Insurance Act, 1991.
  - Discuss the role and functions of IRDA.
  - Discuss the essentials of fire insurance.
  - Enumerate the seaworthiness of ship.
  - Explain the doctrine of subrogation and doctrine of contribution. What are the difference between these two doctrines?
  - Difference between Assignment and Nomination.

(3 Hours)

[Total Marks: 100]

**N.B. :** (1) Answer all questions

(2) The Figures to the right indicate the marks.

**Q.1 Write answers in one or two lines:**

20

- What is Voyage?
- What is Cargo Insurance?
- Define a Contract of Insurance
- Who is Actuary?
- What is Double Insurance?
- What is meant by seaworthiness?
- What is Lapse of policy?
- What is the meaning of days of grace?
- Who was the chief agent under the Life Insurance Act, 1938?
- What is knock out agreement under Motor Vehicle Act?

**Q.2 Write Short Notes on any four of the following:**

20

- Classification of Marine policies
- Amounts recoverable under life policy
- Perils of the sea
- Doctrine of Subrogation
- Principle of Uberrima Fides
- Difference between Assignment and Nomination

**Q.3 Answer any two of the following:**

12

- "X" is a monthly tenant of a bungalow owned by "Y". "X" pays rent to "Y" regularly. "Y" did not insure the bungalow and therefore "X" declared to avail fire insurance policy himself and accordingly took a policy from a reputed insurance company. The policy was issued in the name of "X". The bungalow caught fire and the loss was assessed at Rs. 25,00,000/- which was within the limits of the sum insured. The Insurance Company refused to settle the claim.
  - Is the stand taken by the Insurance Company valid? Give reasons for your answer.
  - What is remedy available to "X" under the given circumstances?

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- b. Mr. Kumar & his wife each signed a proposal for a joint life policy on their lives & both contributed towards the premium. After the policy was taken the wife committed suicide & the husband claimed the sum assured. The insurer alleged that at the time of taking the policy the husband had no insurable interest in his wife's life.
- Does the husband have any insurable interest in the life of his wife?
  - Is Insurable interest a statutory requirement under the Insurance Act? Why?
- c. The General Insurance Company agreed to indemnify M/s. XYZ, the owner of the building. The policy contained clause which stated that it provided indemnity only in respect of events occurring during the period of insurance. Two months prior to the commencement of the policy a burst of the main pipe occurred . This burst caused damage to the building during the period of the policy. M/s. XYZ claimed damage from the General Insurance Company.
- When does Insurer liable for making the payment?
  - What are the defences available to the Insurance Company? When does the Insurer risk come to an end?

**Q.4 Answer in detail (any four):**

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- What is Insurable Interest and how it is determined?
- What is social Insurance? Explain its significance and discuss its various forms.
- Discuss the powers and functions of IRDA.
- Representation and Warranties
- Enumerate the conditions of the policy.
- What are the rights of Policy holder in case of nomination.

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(3 Hours)

[Total Marks: 100]

N.B. (1) Figures to the right indicate full marks.  
(2) Answer all questions on separate sheet of the answer paper.

1. Write short answers (not more than two sentences) :-
- a) What is construction of policy?
  - b) What is General Insurance business?
  - c) What is Inchmaree clause?
  - d) Who was a chief agent under the Life Insurance Act 1938?
  - e) What is children money back policy?
  - f) What is meant by seaworthiness?
  - g) What is a Premium notice?
  - h) Main conditions of Children Endowment policy?
  - i) What is disability benefit?
  - j) What is suicide clause?
2. Write short explanatory/definitional or analytical answers on any four: -20
- a) Proposal form of Life Insurance Contract.
  - b) Assignment under section 38 of the Insurance Act 1938.
  - c) Machinery Breakdown Insurance.
  - d) Marine Insurance business.
  - e) Doctrine of Subrogation under Fire Insurance Contract.
  - f) Policies on Motor Cycles.

3. Answer any two: - 12

(A) A father taken a policy of Life Insurance on the life of his daughter, who was a minor. The date on which the risk under the policy was to commence, had however been back dated at the request for taking advantages at option. The premium was paid from the back date to the issue of the policy. The policy contained clause 4B mentioned that in the result of intentional self injury, suicide or attempted suicide, on or after the date on which the risk under the policy has commenced, but before the expiry of the three years from the date of this policy the Corporation's liability shall be limited to the sum equal to the total amount of premiums. The life assured minor committed suicide. A respondent lodged a claim for the whole sum from the date of policy commencement for which his daughter's life had been insured.

Whether a father can file a suit against Corporation even after ready to pay the actual payment of the premium paid by him?

II. Is Corporation liable to pay whole sum claimed by respondent as per the commencement date of policy? Why?

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- (B) The policy was issued on October 28, 1988 and it was valid upto October 27, 1989. The Motor Vehicles Act, 1988 (hereinafter referred to as New Act) came into force on July 1, 1989, and the accident occurred on September 4, 1989, after the New Act came into force but before the expiry of a policy in force.
- Whether a claimant will be entitled for to get the claim? Why?
  - Does a New Act limit the liability of insurance companies to payment of compensation to extent specified in the policy?
- (C) Mrs. Alka Desai filed an appeal against LIC of India for a repudiation of liability under a policy own by her deceased husband. While taking the policy the life assured was suffering from kidney problem and gave a false declaration that he had not suffered from any ailment etc. After issuing the policy a life assured died within six month.
- Whether Mrs. Alka Desai appeal will be accepted by the Court? Why?
  - Whether she will be entitled to get any repudiated claim? Did the policy taken by policy holder null and void?

4. Answer any four: -

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- Discuss in brief the formation of Life Insurance Contract.
- What are the rights of Policy holder in case of nomination?
- What are the different perils of the seas?
- Enumerate Insurable Interest under the Fire Insurance Contract.
- Discuss the jurisdictions powers and functions of the I.R.D.A.
- What are the different policies issued under Motor Vehicle Contract?

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