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**6 SEM LLB OP 3 INSL/PTL (N)**

**2017**

(June)

**LAW**

Paper : 6·3

**(Optional)**

**i. Insurance Law**

**ii. Principles of Taxation Law**

**(New Course)**

Full Marks : 80

Time : Three hours

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

**(i) Insurance Law**

1. Choose the correct answers :  $1 \times 10 = 10$

(i) The insurance companies collect a fixed amount from its customers at a fixed interval of time. What is it called ?

(a) Installment

(b) Premium

(c) Contribution

(d) EMI.

(ii) Which of the following types of insurance is mandatory ?

- (a) Personal Accident Insurance
- (b) Product Liability
- (c) Motor Own Damage
- (d) Motor Third Party Legal Liability.

(iii) Which is not covered under general Insurance ?

- (a) Theft Insurance
- (b) Marine Insurance
- (c) Life Insurance
- (d) Fire Insurance.

(iv) **Statement A** : The minor can enter into an insurance contract

**Statement B** : The person of unsound mind cannot enter into an insurance contract.

- (a) Both statements are correct
- (b) Both statements are incorrect
- (c) Statement A is correct
- (d) Statement B is correct.

(v) The Life Insurance sector was nationalised in the year of —

(a) 1938

(b) 1907

(c) 1956

(d) 1963.

(vi) Which one does not belong to Life Insurance ?

(a) Endowment

(b) Term

(c) Personal accident insurance

(d) Whole life.

(vii) Which provision of the Insurance Act, 1938 specifies about nomination by policy holder ?

(a) Section 38

(b) Section 39

(c) Section 40

(d) Section 41.

(viii) The Personal Injuries (Compensation insurance) Act was passed on —

(a) 1 November, 1963

(b) 8 December, 1963

- (c) 8 October, 1963
- (d) 1 September, 1963.
- (ix) Which of the following risk is covered under Burglary policy ?
- (a) Theft
- (b) House breaking
- (c) Larceny
- (d) All the above.
- (x) The subject insurance is incorporated in which list under the constitution of India ?
- (a) Union list
- (b) State list
- (c) Union and Concurrent list
- (d) Union and State list.

2. Write briefly within **4/5** lines :  $5 \times 2 = 10$

- (a) What is Endowment policy ?
- (b) What is legal status of nominee under Life Insurance policy ?
- (c) What is subrogation ?

(d) What do mean by indemnity ?

(e) What is no-fault liability ?

3. Define contract of Insurance. Discuss the importance of Insurance in the light of recent development stating the necessity, advantage and functioning etc. in India.  $2+10=12$

**Or**

“A contract of Insurance is a contract of utmost good faith”. Elucidate.  $12$

4. Define Life Insurance. Who are the persons entitled to payment under the Life Insurance policy ?

Mr. Amit takes out a policy on the life of his wife and subsequently divorces her. Does the policy continues to be valid ?

$2+8+2=12$

**Or**

What are the events insured against in life insurance ? Discuss the circumstances affecting the risk in Life Insurance.

$2+10=12$

5. What is assignment of an insurance policy ? State the rules relating to assignment of policies in contract of insurance.

Mr. A an insurance policy holder assigned his policy to Mr. B by endorsing upon the policy. But that assignment of policy from Mr. A to Mr. B was not informed to the insurance company. Whether notice to insurer is necessary for the validity of the assignment ? 2+8+2=12

**Or**

What is risk ? State the scope of risk in different kinds of insurance. 2+10=12

6. Discuss the salient features of the Fatal Accident Act, 1855. 12

**Or**

Who are the persons entitled to claim compensation under the Personal Injuries (Compensation Insurance) Act, 1963 ? Discuss the mode for determining the amount of compensation under the Act. State briefly the compensation scheme provided under the Act. 2+4+6=12

7. Why insurance against third party is necessary ? Discuss the rights of third party against insurer. 6+6=12

**Or**

Explain briefly the following : 6+6=12

- (a) Burglary Insurance
  - (b) Storm and tempest insurance.
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