

8.2 Course – II, Opt-I Insurance Law

Objectives:

The insurance idea is an old-institution of transactional trade. Even from olden days merchants who made great adventures gave money by way of consideration, to other persons who made assurance, against loss of their goods, merchandise ships and things adventured. The rates of money consideration were mutually agreed upon. Such an arrangement enabled other merchants more willingly and more freely to embark upon further trading adventures. The operational framework of insurance idea is

provided by the general principles of contract. The insurance policy, being a contract, is subject to all the judicial interpretative techniques of rules of interpretation as propounded by the judiciary. Besides, the insurance idea has a compensatory justice component. This course is designed to acquaint the students with the conceptual and operational parameters, of insurance law.

Course Outcomes:

Students graduating with Insurance Law will be able to:

1. To Understand and describe the scope and object of Insurance through a critical analysis of the subject
2. Analyze the merits and demerits of Insurance, its process from adopting till claimant.
3. It provides the details, of conceptual parameters of Insurance law in the context of the development of the general principles of law and judicial interpretation.
4. Explain and address various obstacles and barriers experienced by individuals before, during, and after adopting insurance with the help of case laws

Contents:

UNIT – I

Introduction: Nature of insurance - Indemnity - Subrogation - Contribution - History of Insurance and development of Insurance in India- Benefits of insurance - Insurance Act, 1938: Appointment of Administrator– Tariff Advisory Committee – Insurance Association of India, Reinsurance. Insurance Regulatory Authority: Its role and functions.

UNIT – II

Contract of Insurance: Classification of contract of Insurance- Nature of various Insurance Contracts- Parties there to - Principles of good faith – extent of duty -non disclosure – Misrepresentation in Insurance Contract- Insurable Interest- Premium: Definition- method of payment, days of grace, forfeiture, return of premium, The risk – Meaning and scope of risk - Proximate Cause : Causa Proxima.

UNIT – III

Life Insurance: Nature and scope of Life Insurance- Kinds of Life Insurance in India.

The policy and formation of a life insurance contract- Event insured against Life Insurance contract- Circumstance affecting the risk- Amount recoverable under the Life Policy- Persons entitles to payment- Settlement of claim and payment of money- Assignment and nomination- Insurance against third party rights- The Motor Vehicles Act, 1988 – Sec. (140-176), Nature and scope- Absolute or no fault liabilities, Third party or compulsory insurance of motors vehicles- Claims Tribunal- Own Damages Claims .

UNIT – IV

Fire Insurance: Nature and scope of Fire Insurance –Basic Principles – Conditions & Warranties – Right & Duties of Parties – Claims - Public Liability Insurance –. Introduction to Agriculture Insurance – History of Crop Insurance in India –Problems associated with Crop Insurance – Cattle Insurance in India.

UNIT – V

Marine Insurance: Nature and Scope- Classification of Marine policies- Insurable interest- Insurable values- Marine insurance and policy- Conditions and express warranties- Voyage deviation- Perils of sea- Loss- Kinds of Loss.

Prescribed Books:

K. S. N. Murthy and K. V. S. Sharma - Modern Law of Insurance in India.

M. H. Srinivasan - Principles of Insurance Law.

Reference Books:

1. E. R.HardyIvamy - General Principles of Insurance Law, relevant Chapters.
2. *Insurance Act, 1938.*
3. *The Marine Insurance Act, 1963.*
4. *General Insurance (Business) (Nationalization) Act, 1972.*
5. *The Life Insurance Corporation Act, 1956.*
6. *Motor Vehicle Act, 1988.*