


Name:			
Enrolment No:			
UNIVERSITY OF PETROLEUM AND ENERGY STUDIES End Semester Examination, December 2022			
Course: Law of Life Insurance Semester: IX Program: BBA.LLB BFIL Course Code: LLBL418		Time: 03 hrs. Max. Marks: 100	
Instructions: Read the questions properly and answer all the questions.			
SECTION A (5Qx2M=10Marks)			
S. No.		Marks	CO
Q.	Answer the questions (Q. 1 to Q. 3) in not more than 50 words and choose correct answer for (Q. 4 and 5)		
1.	If a person commits suicide within 6 months from the date of taking the Life insurance policy, can his nominee claim the insurance amount?	2	CO1
2.	What is the time-period, within which the insurer must find out the material facts suppressed (if any) under the provision of Insurance Act 1938 (as amended in 2015)?	2	CO2
3.	Decide with reason, whether you can take a life insurance policy on the life of Shahrukh Khan (Bollywood Actor)?	2	CO1
4.	Choose the correct Option: Statement A: Commercial contracts are subject to the principle of “Caveat Emptor” Statement B: Insurance contracts are also subject to the principle of “Caveat Emptor” a. Both statements are correct b. Both statements are wrong c. Statement A is correct d. Statement B is correct	2	CO1
5.	Choose the correct Option: One of the fundamental principles of life insurance is	2	CO1

	a. There is an insurer & policyholder b. Utmost good faith c. Insurable interest d. Both b & c		
SECTION B (4Qx5M= 20 Marks)			
Q	Answer the following questions briefly:		
6.	What is Double insurance? Is it allowed in life insurance contracts?	5	CO2
7.	How is life insurance contract different from contract of indemnity. Mention five points of differences.	5	CO3
8.	What is Nomination and how is it different from assignment. Point out three main differences.	5	CO2
9.	Briefly explain the nature of life insurance contracts.	5	CO2
SECTION-C (2Qx10M=20 Marks)			
Q	Explain the following questions:		
10.	Discuss the concept and classification of Risk in Life insurance contracts.	10	CO3
11.	Explain the regulations governing Life Insurance Business in India.	10	CO3
SECTION-D (2Qx25M=50 Marks)			
Q	Analyse the facts mentioned and then answer the questions:		
12.	<u>Read the below mentioned facts and answer the questions:</u> Aarav, a 35 years old man was married, had two children, a wife, and was living with his parents. Aarav was the only earning member of the family. His parents were old and wife was illiterate. Aarav took a insurance policy on his life, for a period of 10 years. The policy stated that the sum assured would be given only if death occurred during this period. Aarav died at the age of 47.	25 (10+15)	CO4

	<p>Aarav's nominee (his widowed wife) now filed a claim against the insurer claiming the insurance amount.</p> <p>a) Identify the type of insurance in the above given situation and decide whether his nominee can claim the insurance amount.</p> <p>b) Discuss the other important kinds of life insurance policies.</p>		
13.	<p style="text-align: center;"><u>Read the below mentioned facts and answer the questions:</u></p> <p>In 1942, Mr. Menon sent a proposal for the insurance of his life. A doctor who submitted two reports, one with the proposal form and one confidential examined him. The confidential report showed that Menon was anemic, had a dilated heart, his right lung showed indications of an old attack of pneumonia or pleurisy, and that he was a total physical wreck. Nothing came out of this proposal and it lapsed.</p> <p>In 1943, Menon consulted and was treated by one Dr. Lal for anemia, diarrhea and panting on exertion.</p> <p>In 1944, Menon made a second proposal for insurance of his life. Against the question in the proposal form, <i>"have you within the past five years consulted any medical man for any ailment, not necessarily confining you to your house? If so, give details and state names and addresses of medical man consulted"</i> he gave the answer, "No'.</p> <p>However, after medical examination by one Dr. Kumar the proposal was accepted and a policy for Rs. 25,000/- was issued on March 1945.</p> <p>On October 1945, the appellant of the case Mr. Namesh, took an assignment of a life insurance policy on the life of Menon for a sum of Rs. 25,000. In November, 1946, Menon died.</p> <p>Mr. Naresh, the appellant, made a demand for Rs. 25,000/- but the Company on October 10, 1947, repudiated it on the ground that the policy had been obtained by deliberate mis-statement and fraudulent suppression of material facts. Thereupon, the appellant (the assignee) filed a suit to recover the amount of the policy.</p>	<p>25 (15+10)</p>	<p>CO4</p>

	<p>a) Decide whether the repudiation of claim by the insurer was valid. Justify your answer with relevant provision of Insurance Act (as amended in 2015), principle associated with the facts and landmark judgements.</p> <p>b) From the above facts, decide whether Mr. Namesh, the assignee has the right to claim any amount and whether such assignment was valid in terms of the provision of the Insurance Act, 1938.</p>		
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