

**PGDM (IBM), 2019-21**

**Advanced Insurance Law**

**INS-403-C**

**Trimester-IV, End-Term Examination: September 2020**

Time allowed: 2 Hrs 30 Mins  
Max Marks: 50

Roll No:-----

Instruction: Students are required to write Roll No on every page of the question paper, Writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of the Admit Card should be followed meticulously.

Please attempt all 3 questions Section A

30 Marks

A-1 (a) There was a road accident involving two vehicles. Abhisekh, the owner of the first vehicle wanted to sue Brijesh, the owner of second vehicle. State the nature of cases Abhisekh, can file against Brijesh. Who has to resort to 'Balance of Probabilities and under what circumstances? In a particular case, the court wants further investigation, how would you contest this argument? (CILO 2) 10

OR

A-1 (b) Can you recall one incident where one particular community was not treated fairly? How would you interpret the 'Rule of Law' in this respect? (CILO 1&2) 10

A-2 (a) A doctor while treating a patient failed to administer a particular medicine. The patient underwent a massive heart attack but survived. The patient wants to punish the doctor and also wants to recover damages. Discuss the various provisions of the law that provides him remedy for both the above cases..(CILO2) 10

OR

A-2 (b) It is said that the concept of 'ratio decidendi' be followed while invoking the doctrine of binding precedent. Is obiter dicta binding on the court while deciding a case? Explain your answer with an example.( CILO 2) 10

PTO

A-3 (a) A medicine manufacturer sells his medicines all over the world. A patient living in Amsterdam developed food poisoning after consuming the medicine supplied by the above manufacturer. One of batch medicine was found unworthy for consumption. Analyze the dictum “you are to love your neighbor becomes in law, you must not injure your neighbor’ vis-à-vis duty of care. (CILO3) 10

OR

A-3 (b) A lady suffered from Myalgic encephalomyelitis after seeing the injury of her son whose vehicle was hit by another vehicle. The lady demanded compensation from the offending driver of the other vehicle which hit her son’s vehicle. As a claim consultant, determine the various conditions under which the lady can claim compensations.(CILO-3) 10

Section B

**Compulsory Questions. Each question carries 10 marks.**

**2\*10 =20**

**(CILO 2,3)**

B-1 Mohammad car was hit by David’s car negligently, The repair cost was to the tune of Rs.50,000/- .The vehicle was insured with XYZ insurance company comprehensively for Rs. 6 lac. There was a deductible of Rs.1,000/- every time a claim was raised. Mohammad’s car was in the garage for 5 days and for each of this five days, Mohammad had to incur Rs.1000/-.

- (a) What are the options for recovery for Mohammad? (2 marks)
- (b) How much can Mohammad recover from the insurance company? (1 mark)
- (c) How much the insured should claim from David?(3 marks)
- (d) How much the insurer should recover from David? ( 3 marks)
- (e) Who actually has the right of recovery under subrogation? (1 mark)

B-2

In a particular case, the court opined that the reasonable underwriter need not prove that the nondisclosure of certain fact would have changed his /her decision. The court held that the word 'influence the judgment' mean that the fact not disclosed should be of the nature that reasonable underwriter would have wanted to know. In one such case, four underwriters were involved. Three underwriters cited a fact of non –disclosure which induced them to enter a contract to avoid the contract, but the fourth underwriter could not do so.

1. What would be the effect of nondisclosure on the above cited contract? Base your answer citing the example of Actual Inducement Test? CILO-2 –(7marks )
2. What would be the effect of nondisclosure on the contract in case of fourth underwriter? CILO-2 (3marks )

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10 marks

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