

**SUBJECT : LAW OF INSURANCE ( O. C. - 2)**  
**SUBJECT CODE: HXJ**

**Unit – I: Introduction**

Meaning of concept of Insurance – Risk Management – Kinds of risks – Insurable – Distinction between Insurance Assurance – Parties of Insurance. Insurance and contract linkage – Extent of applicability of General principles of Law of Contract viz., offer, acceptance, capacity of parties, consideration, consensus, ad-idem and lawful object – Insurance and wager – Performance of insurance contracts – Discharge of Insurance Contract. Necessity for applying special principles of contract to Law of Insurance – Extent of applicability – Special Principles: (a) Uberrimae fidae: (b) Idemnity (c) Subrogation, (d) Contribution (e) Proximate cause – Cover note and slip.

**Unit – II: Fire Insurance Contract**

Meaning of the term ‘Fire’ – Fire policies – Perils insured – Fire claims – Scope of applicability of special principles to contract of fire insurance – Standard Fire Policy – ‘Average’ in Fire Insurance Contract.

**Unit – III: Marine Insurance Contract**

Significance of Marine Insurance Contract – Maritime perils – Subject – Matter covered by Marine Policy – Kinds of Marine policies – Scope of applicability of special principles to contract of marine insurance – Principle of ‘change of voyage’ and ‘Deviation’ and therein related aspects – Total loss – Partial loss – General average sacrifice and expenditure – Salvage – An over view of Marine Insurance Act, 1963 with special reference to Bill of Lading and counter party.

**Unit – IV: Life Insurance Contract**

Introduction – Meaning of Life Insurance and its significance - Kinds of life policies – Extent of applicability of Special Principles to Life Insurance Contract – ‘Suicide’ Clause in a Life Policy – Assignment and nomination – Constitution, powers and functions of L.I.C. under L.I.C. Act, 1956 – Ombudsman, IRDA.

## **Unit – V: Motor Vehicle Insurance**

Introduction – The Motor Vehicles Act, 1939 (as amended in 1988) –  
Compulsory Third party Insurance of Motor Vehicles – No – fault liability –  
Chapter VIII A of the Act – Motor Accident Claims Tribunals.

### **Books Prescribed:**

1. Raoul Colinvarx - Law of Insurance
2. M.N. Srinivasan - Law of Insurance
3. Srinivasan & Murthy - Law of Insurance

### **Books for Reference:**

1. Hardy Ivany – Law of Insurance
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