Centre for Aerospace & Defence Laws (CADL)
DIRECTORATE OF DISTANCE EDUCATION
NALSAR UNIVERSITY OF LAW, HYDERABAD

M.A. (Maritime Laws)

Academic Year: 2022-2023

Third Semester - End Semester Examination (January, 2023)

Paper I – 2.3.10. Marine Insurance Law

Duration of the Examination: 2 ½ hours **Total Marks : 70 marks**

INSTRUCTIONS TO CANDIDATES

a) **Read the instructions carefully and adhere to the same.**
b) **Please mention your DDE ID No. date of the exam, name of the programme & subject on the Answer Sheet and the Additional Answer Sheets, if any.**
c) **The questions to be interpreted as given and no clarification can be sought from the Invigilator.**
d) **Clearly indicate the question numbers while answering them. Answers without question numbers / wrong question numbers will not be evaluated.**
e) **Write the answers clearly and neatly. Answers in illegible handwriting will not be taken into consideration.**
f) **Candidates are prohibited to carry phones or any other electronic devices, books, material etc. in the Examination Hall.**
g) **Copying is strictly prohibited and is considered as a serious academic mis-conduct and the University will take action as it deems fit.**

Section – A

Answer FIVE questions out of SEVEN questions and each question carries 10 marks. (5 x 10 marks = 50 marks)

1. *Risk is a part and parcel of our daily lives. Risks are all around us whether we are aware of them or not*. In the light of above statement, explain the concept of risk, its sources and types. Also discuss as to the ways of handling risks in brief.

2. *Insurance is a social device which combines the risks of individuals into a group, using funds contributed by members of the group to pay for losses*. In the light of the given statement, explain the meaning, nature and purpose of Insurance.

3. *The business of insurance aims to protect the economic value of assets or life of a person. Through a contract of insurance the insurer agrees to make good any loss on the insured property or loss of life (as the case may be) that may occur in course of time in consideration for a small premium to be paid by the insured. Apart from the above essentials of a valid contract, insurance contracts are subject to additional principles*. Explain the principles of Insurance.

4. *Marine insurance covers the loss or damage of ships, cargo, terminals, and any transport by which the property is transferred, acquired, or held between the points of origin and the final destination*. In the light of above statement, explain the meaning and nature of marine insurance. Also discuss the development of marine insurance law in brief.

5. *A person who has taken out a marine insurance policy may also have a claim against a third party if loss has been caused by him. In such a case the assured will have two remedies, one from the insurer and one from the third party*. In the light of the above statement, explain the concept of subrogation in marine insurance law. Also discuss the effect and limitations to subrogation.

6. *Insurable interest is an economic stake in an event for which a person or entity purchases an insurance policy to mitigate the risk of loss*. Explain the concept of insurable interest in marine insurance contract along with its types.

7. *The premiums are paid to the insurer in consideration for the policy coverage provided*. Explain the concept of Premium in marine insurance contract. Also discuss the consequences of non-payment of premium.

Section – B

Answer FOUR questions out of SIX questions and each question carries 05 marks. (4 x 5 marks = 20 marks)

A. Role of Insurance in Economic Development
B. The Leading Underwriter Clause
C. Burden of Proof in breach of duty of utmost good faith
D. Warranty of seaworthiness
E. The Collision Liability Clause
F. Reinsurance