

5 NOV 2024

NATIONAL LAW UNIVERSITY, JODHPUR

End Term Examination, Oct.-Nov.-2024

Law of contract and Insurance

SEMESTER -I (MBA Ins.)

Marks: 100

TIME: Three Hours

**Instructions:**

1. Attempt any Five Questions.
2. Marks for all questions are indicated in the brackets at the end.
3. This is a close book exam; no student is allowed to carry any study material.
4. No clarification will be sort during examination.
5. Support your answers with suitable illustrations.

Q.1. Discuss clearly the distinction between Void Contracts and voidable contracts and also mention the circumstances when contract is said to be a valid contract. (Marks 20)

Q.2.i. Explain Agent and Principle also discuss the salient features of agency along with its kinds.

ii. Discuss Novation, Alteration and Rescission with respect to contract. (Marks 14+6=20)

Q.3. Life Insurance Contracts may be defined as the contract whereby the insurer in consideration of a premium undertakes to pay a certain sum of money either on death of insured or on the expiry of the fixed period. In the backdrop of the statement discuss following with respect to life insurance contracts:

(i) Insurable interest in Life Insurance contracts.

(ii) Aleatory Contracts.

(iii) Indemnity.

(Marks 10+5+5=20)

Q.4. Decide following with suitable reason/s:

- a) 'A' offers to buy 'B's' bungalow Mannat for rupees 500 crores. 'B' reply "won't accept less than 600 crores". 'A' accepted the price of 600 crores and confirmed his acceptance by sending a letter to 'B', but 'B' sold the bungalow to someone else with much higher price. 'A' sues 'B' for specific performance. Will 'A' succeed?
- b) 'A' a female singer agreed to sing in the wedding reception of 'B's' son 'C' scheduled on 20<sup>th</sup> August 2024. Three days before the performance 'A' met with the severe accident and due to severe spinal injury, she was advised complete bed rest, due to which she was unable to perform at the wedding of 'C'. 'B' sues 'A' for the damages. Will 'B' succeed?

P.T.O.



- c) 'A' took 'B's' house on rent for two years on 1<sup>st</sup> January 2021, for tuition of IX and X standard. Later on, 'B' came to know that 'A' is running a brothel there, so he asked 'A' to vacate the house on 1<sup>st</sup> December 2021. 'A' denied on the ground that he took the house on rent for two years after paying advance, so he will not vacate. 'B' sued 'A'. will he succeed?
- d) 'A' ordered 'B' on 1<sup>st</sup> July 2021 to deliver machinery XX on 21<sup>st</sup> August 2021, 'B' agreed for the same. On 16<sup>th</sup> August 2021 'B' informed 'A' about his non-performance of the contract due to some unavoidable reason, but 'A' waited for 21<sup>st</sup> August 2021 in a hope of delivery. On 20<sup>th</sup> August 2021 Government passed the circular putting ban on machinery XX. Due to non-delivery of machinery on due date i.e. 21<sup>st</sup> August 2021 'A' sued 'B' will he succeed?

(Marks 4\*5=20)

Q.5. Critically analyze *any one* of the following cases:

1. Life Insurance Corporation of India and Anr. Vs. Sunita, 2021

2. Khatema Fibres Ltd. v. New India Assurance Company Ltd. and Ors. JV (2021) CPJ 1 SC

(Marks 20)

Q.6. Marine Insurance is the oldest form of insurance. In Rig Vedas marine insurance was provided in the form of Risk and Safety. Discuss the importance of Marine Insurance and also discuss following with respect to Marine Insurance:

- i. Warranties and its kinds in Marine Insurance
- ii. Concept of Loss or Not Loss.

(Marks 15+5=20)

P.T.O.

