



**NATIONAL LAW UNIVERSITY AND JUDICIAL ACADEMY, ASSAM**

**PROGRAMME: B.A. LL.B(HONS).**

**DETAILS OF THE COURSE OFFERED**

**ODD SEMESTER ACADEMIC YEAR 2020-21**

Sl. No	Course Code	Course Title	L	T	P	CR	CH
1.	BL 405 (Specialization Group Paper I)	Insurance Laws and its Development in India	4 per week	1 per week		4	

- A. CODE AND TITLE OF THE COURSE: BL 405, INSURANCE LAW AND ITS DEVELOPMENT IN INDIA**
- B. COURSE CREDIT: 4**
- C. MEDIUM OF INSTRUCTION: ENGLISH**
- D. COURSE COMPILED BY: MONMI GOHAIN**
- E. COURSE INSTRUCTOR: MONMI GOHAIN**

## **1. COURSE OBJECTIVES:**

The history of insurance explains the progress of modern business of insurance against risks like life, property, cargo, health and accidents. The insurance industry helps to reduce risks and spread of risks from the individual to the group of people.

Insurance acts as an important tool in providing a sense of security to the society on a whole. In case the bread earner of a family dies, the family suffers from direct financial loss as family's income ceases. Life insurance is one alternate arrangement that offers some respite to the family from financial distress.

Insurance Regulatory and Development Authority of India (IRDAI), is a statutory body formed under an Act of Parliament, i.e., Insurance Regulatory and Development Authority Act, 1999 (IRDAI Act 1999) for overall supervision and development of the Insurance sector in India. The powers and functions of the Authority are laid down in the IRDAI Act, 1999 and Insurance Act, 1938. The key objectives of the IRDAI include promotion of competition so as to enhance customer satisfaction through increased consumer choice and fair premiums, while ensuring the financial security of the Insurance market.

After passing of IRDA Act (1999), several private insurers applied for the opening in life and non-life insurance business in India. First of all the HDFC Standard Life Insurance Company Ltd. Was issued a license in October 2000 as a life insurer. By January, 2016, there are following 24 life insurance companies and 28 non- life insurance players in Indian insurance market

The basic aims and objectives of the course are given as under:

- a. To provide the students a thorough understanding of the origins of Insurance laws in India.
- b. To make the students aware of the regulatory Framework governing insurance laws in India
- c. To make the students aware of the modern developments of Insurance laws and their issues and concerns
- d. To develop a kind of research orientation in the mind of the students regarding the insurance law as a subject in India.

## 2. TEACHING METHODOLOGY

The teaching methodology for the above subject will be aimed at gaining maximum theoretical as well as practical knowledge about the above subject. Different methods will be used which will help the students to be engaged in the subject apart from classroom teaching. The engagement of the students in the teaching learning process will be helpful for both the student and the teacher to carry on with the subject. It will be in the form of class room teaching and explanation of basic concepts by the teacher. It will also consist of assignment of seminar topics to the students, presentation assignment to the students, group discussions, organization of quiz etc.

## 3. EXPECTED OUTCOMES OF THE COURSE

After completion of the course the students are expected to learn the following:

- a. In-depth knowledge about both the theoretical as well as the practical aspect of the course
- b. Take up research topics in the further study in the course
- c. Take up assignments related to the course which they might come across while doing internships and other activities.
- d. Organize various research and practical based activities related to the subject after completion of the course

## 4. COURSE EVALUATION METHOD

The course evaluation method for the above subject is given as under

**Internal Assessment: 70% (140 marks)**

**External Assessment: 30% (60 marks)**

Sl. No.	Internal Assessment	
1.	Assignments ( written or in presentation mode) (2 Assignments of 20 marks each)	40 marks
2.	Seminar/Group Discussion	20 marks

	( topics will be announced by concerned course teacher)	
3.	Class Tests ( twice in a semester)	2x 35 = 70 marks
4.	<b>Attendance in class</b>	10 marks
<b>External Assessment</b>		
5	Semester End Examination	60 marks

## 5. DETAILED STRUCTURE OF THE COURSE

### MODULE I

#### **Introduction to Insurance Law in India**

General Principles of Insurable Interest , Indemnity , *Uberrimae fidei* ,Proximate Cause , Subrogation , Insurance and Guarantee ,Insurance and Wager , Disclosure. Nature of Insurance Contract . Registration of Insurance Company in India, Insurance Intermediaries , Reinsurance.

#### **Risks in Insurance**

Risk and insurance; Insurable and non-insurable risks; Nature of property and liability insurance, Crop and cattle insurance, Types of liability insurance, Insurable interest, Premium , Risk-scope and elements of risk

### MODULE II

#### **Regulatory Framework Governing Insurance laws in India**

Insurance Regulatory Development Act, Insurance Development Regulatory Authority: Powers and Functions, General Registration Requirements, Capital Structure Requirements, Suspension of Registration, Authorities and responsibilities, Relevant Regulations and

Guidelines issued by IRDA, Licensing, Audit & Supervision, Investments, Amalgamation and Transfer, Grievance ,Redressal, Tax Law Implications

### **Other Regulations**

Tariff Advisory Committee, Insurance Association of India, Councils and Committees, Insurance Ombudsmen, Motor Vehicles Act, Marine Insurance Act, Employees State Insurance Act

## **MODULE III**

### **Life Insurance and its Regulatory Framework In India**

Establishment of Life Insurance Contract in India, Application of Principles in Life Insurance Contract Representation ,Assignment and Nomination ,Title and Claims , Concept of Trusts in Life Policy - Stamp Duties - Role and Function, Life Insurance Corporation of India and its functions, Life Insurance and its scope in India

### **Marine Insurance and Fire Insurance**

Definition of Marine Insurance, Marine Insurance Policies, Marine Insurance policy agreement, Nature of Voyage, Warranties and Marine Insurance, Nature and definition of fire insurance, Principles of Fire Insurance.

## **MODULE IV**

### **Insurance Law In India And Latest Developments**

Foreign Direct Investment in Insurance in India, New Tax Regulations for Insurance Companies, Changes in the Motor Insurance in India, Insurance Intermediaries, Property Insurance, Business Insurance

## **PESCRIBED READINGS:**

1. K.S.N. Murthy and KVS. Sharma, *Modern Law of Insurance in India*, Butterworths, Delhi
2. Avatar Singh , *Law of Insurance* , Eastern Book Company, Lucknow.
3. Taxmann, *Insurance Manual*, Taxmann Publication Private Limited.
4. M. N. Srinivasan, *Principles of Insurance Law*, Wadhwa & Co.
5. B.C. Mithra, *The Law relating to Marine Insurance*, The University Book Agency, Allahabad
6. Rajiv Jain, *Insurance Law and Practice*, Vidhi Publication Private Limited
7. Gaurav Varshney, *Insurance Laws* , Lexis Nexis, 2017
8. Bharat, *Insurance Laws*, Bharat Law House Private Limited, 2015
9. Hargovind Dayal, *The Fundamentals of Insurance - Theories, Principles and Practices*, Notion Press, 2017
10. R. Haridas, *Life Insurance in India*, New Century Publications.
11. M.N.Mishra *Insurance-Principles & Practice*, S. Chand & Co. Ltd., New Delhi
12. N. Vinayakam , M. Radhasamy and S.V. Vasudevan, *Insurance —Principles and Practice*, S. Chand & Co. Ltd., New Delhi

## **STATUTORY REFERENCES**

1. Insurance Regulatory Development Act, 2000
2. Motor Vehicles Amendment Act, 2019
3. Marine Insurance Act, 1963
4. Employees State Insurance Act, 1948

## **CASE LAWS**

- a. *Shantaben Widow Of Deceased vs Yakubhai Ibrahimhai Patel* , 2006
- b. *Neeta Trehan & Ors. vs Gopal Krishan & Ors.* , 2010
- c. *Calcutta Hospital And Nursing ... vs Commissioner Of Income Tax, W.B, 1961*
- d. *Oriental Insurance Co. Ltd. v. Sudhakaran K.V. And others*(citation will be given later)

- e. *Icici vs Gitaben on 20 October, 2008*
- f. *National Insurance Company Ltd. v. Swaran Singh(citation will be given later)*
- g. *In re, Minor Mahesh Kanubhai & 2 others, 2014*