

**Chanakya National Law University, Patna**  
**LL.M. 2022-23; SEMESTER-II**

**Course Title: Law of Insurance**

## **Course Overview**

Insurance law is a subject of key import to individuals & the business sector. The aspiration of insurance is to compensate the aggrieved party, as far as money can, against loss arising from a variety of risks. Thus, when a person enters into an insurance contract he purchases for an agreed Premium, financial coverage from loss sustained due to the peril insured against. Insurance is omnipresent in the practice of law. In litigation, insurance often determines who gets sued and what they get sued for. In transactional law, insurance frequently constrains or induces deals. The importance of insurance for lawyers stems from the fact that insurance is the primary means by which companies and individuals deal with risks. Lawyers, of course, often make a living either by counselling clients about how to plan for risks or by serving clients whose risks have developed into losses. Just as good attorneys must understand insurance, good insurance arrangements must rely on attorneys. Lawyers are of fundamental importance to insurance, which is itself defined by a complex web of contract and tort law, statutory law and state regulatory law. This course will introduce students to fundamental principles of insurance law and regulation. The operational framework of insurance is provided by the general principles of contract. The insurance policy, being a contract, is subject to all the judicial interpretative technique of rules of interpretation as propounded by the judiciary, besides, the insurance idea has a compensatory justice component.

## **Learning Outcomes**

The course aims to acquaint the LL.M. students with the conceptual and operational parameters of insurance law.

**On completion of the course, students will be able to:**

1. Understand the basics of the insurance laws.
2. Analyse the crucial provisions of various enactments concerning insurance laws.
3. Critically analyse the landmark cases of the insurance laws.

## List of Topics/ Modules

Topic/ Module	Contents/ Concepts	Sessions / Lectures
<b>Module I:</b>	<ul style="list-style-type: none"> <li>• Definition of Insurance Law</li> <li>• Nature and Characteristics of Insurance</li> <li>• Role of Insurance in Globalized Economy</li> <li>• Growth and Development of Insurance in India</li> </ul>	1-10
<b>Module II:</b>	<ul style="list-style-type: none"> <li>• Essential Elements of Insurance Contracts</li> <li>• Formation of Insurance Contracts</li> <li>• Principle of Insurable Interest</li> <li>• Principle of Utmost Good Faith</li> <li>• Warranties and Disclosures</li> <li>• Double Insurance and Re-insurance</li> </ul>	10-30
<b>Module III:</b>	<ul style="list-style-type: none"> <li>• Nature and Scope of Life Insurance</li> <li>• Essential Features of Life Insurance</li> <li>• Function of Life Insurance</li> <li>• Kinds of Life Insurance</li> </ul>	30-40
<b>Module IV:</b>	<ul style="list-style-type: none"> <li>• Nature and Scope of Marine Insurance</li> <li>• Basis of Marine Insurance</li> <li>• Marine Insurance Act, 1963</li> <li>• Essential Elements of Marine Insurance</li> </ul>	40-50
<b>Module V:</b>	<ul style="list-style-type: none"> <li>• Nature and Scope of Fire Insurance</li> <li>• Meaning of 'Fire'</li> </ul>	50-60

	<ul style="list-style-type: none"> <li>• Insurance Claim</li> </ul>	
<b>Module VI:</b>	<ul style="list-style-type: none"> <li>• Nationalization of Insurance Business</li> <li>• Insurance Regulatory and Development Authority Act, 1999</li> <li>• Powers and Functions of Insurance Regulatory and Development Authority Act, 1999</li> </ul>	60-65

### **Recommended/Reference Text Books and Resources:**

#### **Text Books**

1. Murthy & K V S Sarma, *Modern Law of Insurance*, (Butterworth's Wadhwa Publications, Nagpur).
2. SV Joga Rao, *MN Srinivasan's Principles of Insurance Law*, (Lexis Nexis Butterworths Wadhwa, Nagpur).
3. M. N. Sreenivasan, *Law and the Life Insurance Contract*, (Butterworth's Wadhwa Nagpur).

#### **Web Resources**

<http://www.irdai.gov.in>  
<http://www.licindia.in>

### **Instructor Details**

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