

October, 2011.

FG-87

**FELLOWSHIP EXAMINATION
LAW & ECONOMICS OF INSURANCE**

Reg. No.

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[Time : 3 Hours]

[Total Marks : 100]

Attempt at least 2 Questions each from section 'A' and section 'B'.

Total Questions to be attempted are 5 only.

All questions carry **20** marks each.

Section- 'A'

- Q.1 a) What are the ingredients of a valid contract under Indian Contract Act? 5 each
b) When does the process of communication get completed against the parties in a Contract?
c) As per Section 23 of the Indian Contract Act, when does a consideration become unlawful?
d) Explain in detail the effects of fraudulent misrepresentation in a contract.
- Q.2 a) Define a Wagering Contract . Is Contract of Insurance, a Wagering Contract? 5 each
b) Enumerate the circumstances under which a contract gets discharged.
c) What is bailment? What are the rights, liabilities, and duties of a bailer?
d) Section 42(4) of Insurance Act lays down the disqualification of an Insurance Agent. What are the disqualifications laid down by the said section?
- Q.3 a) What is a Contract of Indemnity? What are the rights of an Indemnity Holder? 10
b) Classify Duties, Rights, and Authority of an Agent towards: 10
- His Principal, and
- Third Party with whom he deals on behalf of his Principal.
- Q.4 Describe the following :
a) Powers of an Arbitrator under the Arbitration Act. 10
b) Section 64 VB of Insurance Act. 10

Section- 'B'

- Q.5 Define equilibrium. What are the circumstances under which a firm and a consumer attain equilibrium? 20
- Q.6 Apart from price, there are other factors which also affect the demand for a commodity. Do you agree with this statement? If so, what are the other factors? 20
- Q.7 Analyse Planned Economy versus Market Economy 20
- Q.8 Discuss the principles on which pricing of insurance has been based, specially in a monopolistic market as it exists in our country. 20

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