

**INSURANCE (786)**  
**Sample Question Paper**  
**Class XII - 2018-19**

**Time: 3 Hours**

**Max. Marks: 60**

**General Instructions:**

1. *Question paper is divided into two sections: Section-A and Section- B.*
2. **Section–A:**
  - i. *Multiple choice question/Fill in the blanks/Direct Questions of 1 mark each. Answer any 10 questions out of the given 12 questions.*
  - ii. *Very Short Answer of 2 marks each. Answer any 5 questions from the given 7 questions.*
  - iii. *Short Answer of 3 marks each. Answer any 5 questions from the given 7 questions.*
3. **Section–B:** *Long/Essay type questions of 5 marks each. Answer any 5 questions from the given 7 questions.*
4. *All questions of a particular section must be attempted in the correct order.*
5. *Please check that this question paper contains 33 questions out of which 25 questions are to be attempted.*
6. *The maximum time allowed is 3 hrs.*

**SECTION –A**

**Answer any 10 questions out of the given 12 questions:**

1. State the term used to provide the coverage for the potential financial loss for a fee or consideration. (1)
2. Name the documents that are accepted as age proof in insurance. (1)
3. 'Automotive Insurance' is generally referred to as \_\_\_\_\_. (1)
4. State one point of difference between Robbery and Burglary. (1)
5. In which year does the General Insurance business was nationalized? (1)
6. The Insurance that provides protection against loss of freight is called \_\_\_\_\_ Insurance. (1)
7. Under CIF contracts, the seller is responsible for arranging the \_\_\_\_\_ & delivering the goods at port of destination. (1)
  - I. Vehicle
  - II. Ferry
  - III. Crane
  - IV. Ship

8. Senior Citizen Mediclaim policy is available to a resident in India between the age of 60 & 80 years. If renewed without break, the cover can be continued upto the age of \_\_\_\_\_ (1)
9. Mediclaim Insurance was primarily introduced to cover \_\_\_\_\_ charges. (1)
- I. Insurance
  - II. Hospitalization
  - III. Nursing
  - IV. Accident
10. In \_\_\_\_\_ policy, a fixed amount is paid as compensation irrespective of the loss. (1)
- I. Valued
  - II. Fixed
  - III. Mandatory
  - IV. Legal
11. What is Fire Insurance? (1)
12. For what period are fire insurance policies issued? (1)

**Very Short Questions: (2 marks each).**

**Answer any 5 questions out of the given 7 questions:**

13. State the meaning of the term 'Business Hours' in context to burglary and theft insurance. (2)
14. In case of an accident of a motor vehicle by a person who does not hold a valid driving license, the risk under motor insurance will not be covered? Why? (2)
15. State the Exceptions to the 'Principle of Indemnity'. (2)
16. Explain the Principle of Contribution. (2)
17. List the various exclusions from motor vehicle insurance policy. (2)
18. Mahendra obtains a bank loan. Swami gives a written undertaking to the bank to repay this loan if Mahendra fails to do so. State giving reason whether it is a contract of insurance. (2)
19. State the meaning of the term 'Cash Less Facility'? (2)

**Short Questions: (3marks each).**

**Answer any 5 questions out of the given 7 questions:**

20. Distinguish between the two types of total losses with reference to marine insurance. (3)
21. Transit of goods by sea has various risks associated with it'. Explain any four such risks. (3)
22. "While general contracts work on the principle of 'simple good faith' insurance contracts work on the principle of 'utmost good faith'" Explain the statement with reasons. (3)
23. Explain giving reason: (3)
- a) Under medical insurance in the first year any claims during the first 30 days from the date of cover are not payable in all cases including accidental injury. Why?
  - b) Medical Expenses incurred by the insured person, outside India, as a direct result of bodily injuries caused or sickness & disease contracted are covered by Senior citizen Policy. Do you agree.
24. Can Fire Insurance Policy be assigned? Mention the probable reasons for it. (3)
25. Distinguish between General Insurance from life insurance on any three parameters. (3)
26. 'Theft Insurance Policy covers only theft and burglary and cannot be extended to cover riots, strikes, malicious damage or theft'. Explain with reason? (3)

**SECTION -B**

**Long/Essay type questions (5 marks each).**

**Answer any 5 questions out of the given 7 questions:**

27. (a) List the various covers available to senior citizens under Senior citizen Mediclaim Policy. (5)  
(b) State the additional add-on benefits that a person can take along with Overseas Medical Policy.
28. Explain in detail the procedure of taking Fire Insurance Policy. (5)
29. Explain the various exclusions from Theft Insurance policy. (5)
30. List out key documents required for settlement of marine cargo insurance claim. (5)
31. Which principles of insurance is highlighted in the following statement? Explain in brief? (5)
- 1. Insurer is not liable for any uninsured causes/perils.

2. Insured should not make any profit in any way or as a consequence of loss.

**32.** Describe briefly the establishment and incorporation of 'IRDA'. **(5)**

**33.** What is the quantum of liability under: **(5)**

(a) Third Party insurance.

(b) On the principle of 'No Fault'