

# CBSE | DEPARTMENT OF SKILL EDUCATION

## INSURANCE (SUBJECT CODE: 814)

### MARKING SCHEME FOR CLASS XII (SESSION 2023-2024)

Max. Time: 3 Hours

Max. Marks: 60

#### General Instructions:

1. Please read the instructions carefully.
2. This Question Paper consists of **24 questions** in two sections – Section A & Section B.
3. Section A has Objective type questions whereas Section B contains Subjective type questions.
4. **Out of the given (6 + 18 =) 24 questions, a candidate has to answer (6 + 11 =) 17 questions in the allotted (maximum) time of 3 hours.**
5. All questions of a particular section must be attempted in the correct order.
6. **SECTION A - OBJECTIVE TYPE QUESTIONS (30 MARKS):**
  - i. This section has 06 questions.
  - ii. There is no negative marking.
  - iii. Do as per the instructions given.
  - iv. Marks allotted are mentioned against each question/part.
7. **SECTION B – SUBJECTIVE TYPE QUESTIONS (30 MARKS):**
  - i. This section contains 18 questions.
  - ii. A candidate has to do 11 questions.
  - iii. Do as per the instructions given.
  - iv. Marks allotted are mentioned against each question/part.

#### SECTION A: OBJECTIVE TYPE QUESTIONS

Q. No.	QUESTION	Source Material (NCERT/PSSCIVE / CBSE Study Material)	Unit/ Chap. No.	Page no. of source material	Mark s
<b>Q. 1</b>	<b>Answer any 4 out of the given 6 questions on Employability Skills (1 x 4 = 4 marks)</b>				
i.	Personality is a cluster of thoughts, feelings and behaviors that make a person unique and different from others.	CBSE Study Material	Unit 2	Page no. 33	1
ii.	(c) Not -Responding	CBSE Study Material	Unit 1	Page no. 8	1
iii.	Font Color	CBSE Study Material	Unit 3	Page no. 72	1
iv.	Ctrl+u	CBSE Study Material	Unit 3	Page no. 55	1
v.	Plants, such as Areca palm and rubber absorb harmful pollutants from the air.	CBSE Study Material	Unit 5	Page no. 112	1
vi.	Perseverance is the ability to continue to do something, even when it is difficult.	CBSE Study Material	Unit 4	Page no. 103	1
<b>Q. 2</b>	<b>Answer any 5 out of the given 7 questions (1 x 5 = 5 marks)</b>				
i.	1972	CBSE Study Material	Unit 1	Page no. 20	1

ii.	A fire insurance cannot be assigned without the permission of the insurer.	CBSE Study Material	Unit 2	Page no. 43	1
iii.	F.O.R. concerns mainly the internal trade transactions.	CBSE Study Material	Unit 3	Page no. 68	1
iv.	The insurance company through its TPA will arrange for direct payment to the Hospital. This is known as Cashless facility.	CBSE Study Material	Unit 5	Page no. 108	1
v.	1.Mandatory Motor Vehicle Insurance 2.Comprehensive Motor Vehicle Insurance	CBSE Study Material	Unit 4	Page no. 83	1
vi.	Indian Rupees	CBSE Study Material	Unit 5	Page no. 116	1
vii.	Market value means replacement value of insured property or item as New at the time of damage or loss less due allowance for betterment, wear and tear and/or depreciation.	CBSE Study Material	Unit 6	Page no. 132	1
<b>Q. 3</b>	<b>Answer any 6 out of the given 7 questions (1 x 6 = 6 marks)</b>				
i.	Spouse	CBSE Study Material	Unit 1	Page no. 27	1
ii.	Maritime Perils refer to perils consequent to navigation of sea.	CBSE Study Material	Unit 3	Page no. 63	1
iii.	Proportionately	CBSE Study Material	Unit 2	Page no. 52	1
iv.	Floater benefit means the sum insured as specified for the proposer under the policy, is available for any or all the members for one or more claims during the tenure of the policy.	CBSE Study Material	Unit 5	Page no. 114	1
v.	Acts involving the family members or employees of the insured. Due to war perils, riot & strike, natural calamities and nuclear perils.	CBSE Study Material	Unit 6	Page no. 125	1
vi.	Mixed	CBSE Study Material	Unit 3	Page no. 69	1
vii.	FORM A: to cover Act Liability FORM B: to cover Own Damage Losses and Act Liability.	CBSE Study Material	Unit 4	Page no. 88	1
<b>Q. 4</b>	<b>Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)</b>				
i.	The insurance company may accept risk unconditionally or subject to certain conditions and may give provisional protection to the insured by a document known as cover note.	CBSE Study Material	Unit 2	Page no. 46	1
ii.	Sales	CBSE Study Material	Unit 3	Page no. 72	1

iii.	1.Reliance General Insurance Company Limited 2.Star Health Allied Insurance Company Limited (answer may vary as there are total 22 companies)	CBSE Study Material	Unit 1	Page no. 22	1
iv.	Surveyor	CBSE Study Material	Unit 4	Page no. 97	1
v.	Intrinsic value means reinstatement value of insured property or item less due allowance for betterment, wear and tear and/or depreciation.	CBSE Study Material	Unit 6	Page no. 132	1
vi.	If renewed without a break , the cover can be continued up to age 90.	CBSE Study Material	Unit 5	Page no. 117	1
<b>Q. 5</b>	<b>Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)</b>				
i.	Ship	CBSE Study Material	Unit 3	Page no. 68	1
ii.	Indemnity	CBSE Study Material	Unit 1	Page no. 30	1
iii.	The period between the commencement date and the expiry date shown in the schedule.	CBSE Study Material	Unit 6	Page no. 131	1
iv.	Cause	CBSE Study Material	Unit 2	Page no. 47	1
v.	When the policy is for definite period, it is known as 'time policy'.	CBSE Study Material	Unit 3	Page no. 64	1
vi.	Sum Insured means the Monetary Amounts shown against item/s insured.	CBSE Study Material	Unit 6	Page no. 131	1
<b>Q. 6</b>	<b>Answer any 5 out of the given 6 questions (1 x 5 = 5 marks)</b>				
i.	Comprehensive Policy	CBSE Study Material	Unit 2	Page no. 50	1
ii.	Hospitalization	CBSE Study Material	Unit 5	Page no. 117	1
iii.	Unlimited	CBSE Study Material	Unit 4	Page no. 85	1
iv.	"Hold-up" means forcible removal by actual or threatened violence against the Insured or Employees(s) of the Insured.	CBSE Study Material	Unit 6	Page no. 132	1
v.	Uberrima Fides	CBSE Study Material	Unit 1	Page no. 24	1
vi.	Cargo insurance is taken in respect of the cargo carried by the ship from one place or another.	CBSE Study Material	Unit 3	Page no. 64	1

## **SECTION B: SUBJECTIVE TYPE QUESTIONS**

Q. No.	QUESTION	Source Material (NCERT/PSSCIVE / CBSE Study Material)	Unit/ Chap. No.	Page no. of source material	Marks
<b>Answer any 3 out of the given 5 questions on Employability Skills in 20 – 30 words each (2 x 3 = 6 marks)</b>					
Q. 7	Keep the work aside and help the customer first of all in listening to what his complain is and guide him for best solution. Customer satisfaction is a prime concern.	CBSE Study Material	Unit 1	Page no. 8	2
Q. 8	1.Talk to someone, it helps to share feelings. 2.Look after your physical health. 3.Build confidence in your ability to handle difficulties. 4.Engage in hobbies 5.Stay positive (any four)	CBSE Study Material	Unit 2	Page no. 37	2
Q. 9	1.They are interesting as they have features like images, videos, animation and music. 2.Making changes in digital presentations is easy. 3.A digital presentation can be shown to a much larger audience by projecting on a screen. 4.The presentation can be printed and distributed to the audience.	CBSE Study Material	Unit 3	Page no. 63	2
Q. 10	1. Identifying entrepreneurial opportunity. 2. Turning ideas into action. 3. Feasibility study 4. Resourcing 5. Setting up an enterprise 6. Managing the enterprise 7. Growth and development (any four)	CBSE Study Material	Unit 4	Page no. 85	2
Q. 11	Green jobs help: • increase the efficiency of energy and raw material. • reduce greenhouse gas emissions. • control waste and pollution. (any two)	CBSE Study Material	Unit 5	Page no. 114	2
<b>Answer any 3 out of the given 5 questions in 20 – 30 words each (2 x 3 = 6 marks)</b>					
Q. 12	1. National Insurance Company Ltd. 2. New India Assurance Company Limited 3. Oriental Insurance Company Ltd.	CBSE Study Material	Unit 1	Page no. 21	2

	4.United India Insurance Company Ltd				
<b>Q. 13</b>	Hull, Cargo, Freight and Liability	CBSE Study Material	Unit 3	Page no.64	<b>2</b>
<b>Q. 14</b>	<ul style="list-style-type: none"> <li>• Loss or damage caused by wear and tear or gradual deterioration.</li> <li>• Loss or damage occasioned by loot, sack, spillage or pilferage.</li> <li>• Consequential loss or damage of any kind</li> <li>• Unexplained losses, shortages due to error or omissions, losses discovered when making an inventory or a periodic stock taking or loss resulting from the Insured's voluntarily parting with title or possession of any property or induced to do so by deception. (any two)</li> </ul>	CBSE Study Material	Unit 6	Page no.127	<b>2</b>
<b>Q. 15</b>	Health Insurance policies may offer “Cumulative Bonus” wherein for every claim free year (i.e. a year in which no claim is made); the Sum Insured is increased by a certain percentage at the time of renewal subject to a maximum percentage.	CBSE Study Material	Unit 5	Page no.109	<b>2</b>
<b>Q. 16</b>	The Motor Vehicles Act provides that the policy of insurance shall be of no effect unless and until a certificate of insurance in the form prescribed under the Rules of the Act is issue.	CBSE Study Material	Unit 4	Page no.86	<b>2</b>
<b>Answer any 2 out of the given 3 questions in 30– 50 words each (3 x 2 = 6 marks)</b>					
<b>Q. 17</b>	The personal accident policy is basically designed to offer compensation to the insured person who suffers bodily injury as a result of an accident which is external, violent and visible. Hence death or injury due to any illness or disease is not covered by the personal accident policy. This policy offers compensation in case of death due to result of an accident only. So he can not receive insurance claim amount.	CBSE Study Material	Unit 5	Page no.111	<b>3</b>

<p><b>Q. 18</b></p>	<p>A fire policy containing an average clause is called Average Policy. An average policy requires the insurer to pay that portion of actual loss as the Insurance bears to the actual value of the property at the time of loss.  Example: If the actual value of the property is Rs. 10,00,000 and the same is insured for Rs. 8,00,000 and loss on account of fire is Rs. 2,00,000. In such case the Insured will get <math>8,00,000/10,00,000 \times 2,00,000 = 1,60,000</math>  The balance of Rs.40,000 shall be borne by the Insured himself.  However, if the insured amount is equal to the value of the property or more than that he will get compensation of the entire loss i.e. 2,00,000.</p>	<p>CBSE Study Material</p>	<p>Unit 2</p>	<p>Page no.50</p>	<p><b>3</b></p>
<p><b>Q. 19</b></p>	<p>Marine Insurance Policy plays a very important role in the field of Overseas Commerce and Foreign Trade. In the foreign trade transit of goods by the sea has various risks associated with it. Such risks include losing of the ship along with goods, sea piracy, robbery, criminal violence at the sea, loss and damage of goods while goods are in the ship. These risks gave rise to one of the most important and oldest form of insurance called Marine Insurance. Hence, we would suggest him to take a Marine Insurance Policy.</p>	<p>CBSE Study Material</p>	<p>Unit 3</p>	<p>Page no. 61</p>	<p><b>3</b></p>
<p><b>Answer any 3 out of the given 5 questions in 50– 80 words each (4 x 3 = 12 marks)</b></p>					
<p><b>Q. 20</b></p>	<p>It is the Insurance Co. who will have the right on the amount of ₹ 20,000 only obtained by selling off the half-burnt goods, because the firm has already received full claim of compensation from the insurance Co. Common Documents for all claims under a Standard Fire Policy:</p> <ul style="list-style-type: none"> <li>• Certified True copy of the policy along with schedule and endorsements/clauses.</li> <li>• Claim Form.</li> </ul>	<p>CBSE Study Material</p>	<p>Unit 1</p>	<p>Page no.48</p>	<p><b>4</b></p>

	<ul style="list-style-type: none"> <li>• Newspaper reports on the incident, if any</li> <li>• Photographs.</li> <li>• Past claims experience</li> </ul>				
<b>Q. 21</b>	<p>A sale contract is an essential feature in the trade involves a seller and a buyer and other parties such as the carrier, the bank, and the clearing agent. The nature of sales contract will determine the extent of liability of each party and the specific party that should take the Insurance.</p> <p>1.F.O.B (Free on Board) means Free on Board. Under FOB contracts the seller is responsible to deliver the goods on the ship or the vessel designated by the buyer.</p> <p>2.C.I.F(Cost, Insurance and Freight) The seller is responsible for arranging the Carriage and delivering the goods at the port of destination.</p> <p>3.C&amp;F means Cost and Freight. Under these contracts the seller pays for freight only.</p> <p>4.F.O.R (Free On Rail) but it concerns mainly the internal trade transactions.</p>	CBSE Study Material	Unit 3	Page no.67	<b>4</b>
<b>Q. 22</b>	<p>Health insurance policies generally contain certain with respect to coverage and claims, these are listed below briefly:</p> <p>a. Minimum period of stay in Hospital In order to become eligible to make a claim under the policy, minimum stay in the Hospital is necessary for a certain number of hours. Usually the stipulated duration is 24 hours. This time limit may not apply for treatment of accidental injuries and for certain specified treatments.</p> <p>b. Pre and post hospitalization expenses incurred during a certain number of days prior to hospitalization and post hospitalization expenses for a specified period from the date of discharge may be considered as part of the claim provided the expenses relate to the disease / sickness.</p>	CBSE Study Material	Unit 5	Page no.108	<b>4</b>

c. Cashless Facility Insurance companies have tie-up arrangements with a network of hospitals in the country. If the policyholder takes treatment in any of the network hospitals, there is no need for the insured person to pay hospital bills. The Insurance Company, through its Third Party Administrator (TPA) will arrange for direct payment to the Hospital. This is known as cashless facility.

d. Cumulative Bonus (CB) Health Insurance policies may offer "Cumulative Bonus" wherein for every claim free year (i.e. a year in which no claim is made); the Sum Insured is increased by a certain percentage at the time of renewal subject to a maximum percentage (generally 50%). This means that if in a particular year the insured makes no claims then he/she gets an advantage wherein the company offering the insurance increases the "Insured Amount" or amount agreed to be paid against a claim by a certain percentage. In case of a claim, Cumulative bonus will be reduced by 10% at the next renewal.

e. Additional Benefits and other standalone policies Insurance companies offer various other benefits as "Add-ons" or riders. There are also stand alone policies that are designed to give benefits like "Hospital Cash", "Critical Illness Benefits", "Surgical Expense Benefits" etc. These policies can either be taken separately or in addition to the hospitalization policy. A few companies have come out with products in the nature of Top Up policies to meet the actual expenses over and above the limit available in the basic health policy.

(any four)



<p><b>Q. 23</b></p>	<p>Mr. Avinash is running business all over India. There are many types of risks involved. We will suggest to Mr. Avinash take policy which covers multiple risks like fire, explosion, burglary, riot and strike, earthquake, flood, storm, accidental external means, acts of terror, landslide etc. We will suggest him to take a comprehensive motor policy.</p> <ol style="list-style-type: none"> <li>1. Select Type of Policy -</li> <li>2. Choose the Add-ons With your Comprehensive Car Insurance Policy</li> <li>3. Select Reputed Insurer and Pick a Policy</li> <li>4. Check Policy documents and basic information</li> <li>5. Make payments</li> <li>6. Get a copy of policy documents.</li> </ol>	<p>CBSE Study Material</p>	<p>Unit 4</p>	<p>Page no.87</p>	<p><b>4</b></p>
<p><b>Q. 24</b></p>	<p>Mr. Pankaj has insured his premises against the risk of burglary and after taking policy he can't make changes to his premises without the permission of Insurance Co. If Mr. Pankaj makes changes to his premises without the permission of Insurance Co. then if a burglary takes place in the premises then the insurance co. will not be liable to pay his claims. The procedure he needs to follow is</p> <ul style="list-style-type: none"> <li>• Ensure that the Policy is in force at the time of theft and also that the property that is lost is covered by the Policy.</li> <li>• Information of the theft or the Burglary should be given to the police and the Insurance Company immediately on the occurrence of the same.</li> <li>• All documentation as per the requirement of the Policy should be furnished to the Insurance Company. These may include bills, invoices of the property etc.</li> </ul>	<p>CBSE Study Material</p>	<p>Unit 6</p>	<p>Page no.125</p>	<p><b>4</b></p>