

NATIONAL LAW UNIVERSITY, JODHPUR

(School of Insurance Studies)

End Term Examination: Nov., 2024

Semester: MBA (Insurance) I

Sub: Motor Insurance

13 NOV 2024

Marks: 100

Duration: 3 Hrs.

Instructions:

1. Attempt any 5(five) questions
2. All questions carry equal marks.
3. Simple calculator may be allowed.

Question # 01

- (a) Explain any seven provisions governing the "grant of Permanent Driving licence" as per MV Act (Amended Bill) 2019.
- (b) A Transport vehicle shall not be deemed to be validly registered unless it carries a certificate of fitness, describe the provisions relating to the grant of "Certificate of fitness" for transport vehicles.

Question # 02

- (a) Elucidate the conditions (any 8) which RTO may attach while issuing such Permit of Contract Carriage for Passenger carrying vehicle.
- (b) A commercial vehicle package policy also covers Tankers carrying various types of commodities, however, tankers carrying hazardous goods are governed by some specific rules of Central Motor Vehicles and are supposed to be observed by all the parties associated with, specify the rules applicable to the driver of the said vehicle.

Question # 03

Elaborate the MV provisions governing the following:

- (a) Cancellation of Insurance & Double Insurance
- (b) Legal Liability to paid driver/conductor/cleaner employed in connection with the operation of insured vehicle.
- (c) Certificate or Cover-note destroyed, torn, soiled, defaced or mutilated
- (d) Personal Accident Cover under Motor Policy

Question # 04

- (a) Describe the features of Motor Trade Package Policy.

- (b) In Motor third party claims a good number of fraudulent claims are being reported, how a fraudulent claim is created and what are the steps required to prevent or unearth these frauds?

**Question # 05**

- (a) The amended Motor Vehicle Bill 2019 introduced some new sections & also made some changes in the existing sections. Elaborate such provisions (whether modified or added) which are in the benefit of stake-holders.
- (b) What do you mean by DAR? Describe its role and importance in Motor third party accident claims?

**Question # 06**

- (a) Describe the stepwise procedure of Third Party Claims?
- (b) M/s Gaurav Transport, owns a truck of 45000 kg GVW which is 2 years old and is due for renewal. The vehicle is registered at RTO Pune, Maharashtra. The purchase price was 41,50,000/-, including Rs 1.50 lacs for road tax. No electrical accessories. He uses the vehicle as a public carrier. Wants to have the cover for non-fare paying passengers, the seating capacity of vehicle as per RC is 6 including driver & cleaner. He also wants to have IMT 23 coverage. The transport company has taken a claim in the 1st year of the policy. Premium for Non-fare-paying-passenger is Rs. 75/- per person.

**Calculate the premium payable for this renewal. Premium Tariff Sheet enclosed.**

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**THE ORIENTAL INSURANCE COMPANY LIMITED,**  
DO-1, S. C. O.- 99-100, SECTOR-17-B, CHANDIGARH ☎: 0172-2702139, 5047440, 5062635.

(As per IRDA Circular No. IRDA/INL/NTEN/MOTP/91/06/2018 dated 04-06-2019.  
Rates revised w.e.f. 16-06-2019)

**FOR PRIVATE CARS / TWO WHEELERS**  
Zone-A : Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, Mumbai, New Delhi and Pune.  
Zone-B : Rest of India

**FOR ALL OTHER VEHICLES THERE ARE THREE ZONES**  
Zone-A : Chennai, Kolkata, Mumbai, Delhi/Now Delhi.  
Zone-B : All other state capitals  
Zone-C : Rest of India

Type of Vehicle	Premium for Liability only Cover	Premium for Liability only Cover	Own Damage (% on IDV) Zone "B"			Own Damage (% on IDV) Zone "A"					
			Upto 5 Years	5-10 Years	Above 10 Yrs	Upto 5 Years	5-10 Years	Above 10 Yrs			
<b>PRIVATE CAR (PA Cover - 320)</b>											
New T. P. rates for 3 year (Extra Electrical / Electronics fitting @ 4% of the value of such fitting) LONG TERM (New Veh. Only) NIL DEP @ 1.32% OF IDV											
Upto 1000 cc	2072 + 320 (PA)	Upto 1000 cc	5286+900 (PA)	3.039	3.191	3.267	3.127	3.283	3.362		
1000-1500 cc	3221 + 320 (PA)	1000-1500	9534+900 (PA)	3.191	3.351	3.430	3.283	3.447	3.529		
Above 1500 cc	7890 + 320 (PA)	Above 1500	24305+900(PA)	3.343	3.510	3.594	3.440	3.612	3.698		
<b>TWO WHEELERS (PA Cover - 320)</b>											
New T. P. rates for 5 year (Extra Electrical / Electronics fitting @ 4% of the value of such fitting) LONG TERM (New Veh. Only) NIL DEP @ 1.44% OF IDV											
Upto 75 cc	482 + 360 (PA)	Upto 75 cc	1045+1607 (PA)	1.676	1.760	1.802	1.708	1.793	1.836		
76 - 150 cc	752 + 360 (PA)	76-150 cc	3285+1607 (PA)	1.676	1.760	1.802	1.708	1.793	1.836		
150 - 350 cc	1193 + 360 (PA)	150-350 cc	5453+1607 (PA)	1.760	1.843	1.892	1.793	1.883	1.928		
Above 350 cc	2323 + 360(PA)	Above 350	13034+1607(PA)	1.844	1.936	1.982	1.879	1.973	2.020		
<b>NIL DEP. - Pvt. Car &amp; T/Wheeler</b>											
New and upto 6 month : 15% of OD.			Own Damage (% on IDV) Zone "C"			Own Damage (% on IDV) Zone "B"			Own Damage (% on IDV) Zone "A"		
6 months upto 2 years : 25% of OD.			Upto 5 Years	5-7 Years	Above 7 Years	Upto 5 Years	5-7 Years	Above 7 Years	Upto 5 Years	5-7 Years	Above 7 Yrs
2 years upto 5 years : 35% of OD.											
Above 5 yrs NOT AVAILABLE.											
<b>GOODS CARRYING VEHICLES – PUBLIC CARRIER (Four or more wheeled) (PA Cover - 320)</b>											
G.V.W Upto 7500 Kgs.	15746	1.726	1.770	1.812	1.743	1.787	1.830	1.751	1.795	1.839	
G.V.W 7501-12000 Kg.	26935	The own damage rates shown here shall be apply for vehicles with G.V.W. Upto 12000 kgs. for vehicles with G.V.W. more than 12000 Kgs. additional Rs. 27/- will be charged for each 100 Kgs. or part thereof of G.V.W. in excess of 12000 Kgs.									
G.V.W 12001-20000 Kg.	33418										
G.V.W 20001-40000 Kg.	43037										
G.V.W. Exceeding 40000 Kg.	41561										
<b>GOODS CARRYING VEHICLES – PRIVATE CARRIER (Four or more wheeled) (PA Cover - 320)</b>											
G.V.W Upto 7500 Kgs.	8438	1.208	1.239	1.268	1.220	1.251	1.281	1.226	1.257	1.287	
G.V.W 7501-12000 Kg.	17204	The own damage rates shown here shall be apply for vehicles with G.V.W. Upto 12000 kgs. for vehicles with G.V.W. more than 12000 Kgs. additional Rs. 27/- will be charged for each 100 Kgs. or part thereof of G.V.W. in excess of 12000 Kgs.									
G.V.W 12001-20000 Kg.	10876										
G.V.W 20001-40000 Kg.	17476										
G.V.W. Exceeding 40000 Kg.	24825										
<b>GOODS CARRYING VEHs – PUBLIC CARRIER (3 whrs &amp; Motorized P/Cycles) (PA Cover - 320)</b>											
Except E-CARTS	4092	1.640	1.681	1.722	1.656	1.697	1.739	1.664	1.706	1.747	
E-CART (Rickshaw)	2859	1.640	1.681	1.722	1.656	1.697	1.739	1.664	1.706	1.747	
<b>GOODS CARRYING VEHs – PRIVATE CARRIER (3 whrs &amp; Motorized P/Cycles) (PA Cover - 320)</b>											
Except E-CARTS	3914	1.148	1.177	1.205	1.159	1.188	1.217	1.165	1.194	1.223	
E-CART	3904	1.148	1.177	1.205	1.159	1.188	1.217	1.165	1.194	1.223	
<b>FOUR WHEELER CARRYING VEHICLE UPTO CARRYING CAPACITY OF 6</b>											
Upto 1000 cc	5769+1110 x Per Pass.	NIL DEP. for TAXI / BUS :- New - : 20% of OD.			3.191	3.271	3.351	3.284	3.366	3.448	
1001 - 1500 cc	7584+934x Per Pass.	Upto 2 years : 25% of OD			3.351	3.435	3.519	3.448	3.534	3.620	
Excding 1500 cc	10051+1067 x P/Pass.	Above 5 years NOT AVAIL.			3.510	3.598	3.686	3.612	3.703	3.793	



Type of Vehicle	Own Damage (% on IDV) Zone 'C'			Own D. (% on IDV) Zone 'B'			Own D. (% on IDV) Zone 'A'			
	Upto 5 Years	5-7 Years	Above 7 Years	Upto 5 Years	5-7 Years	Above 7 Years	Upto 5 Years	5-7 Years	Above 7 Years	
<b>THREE WHEELED PASSENGER CARRYING VEHICLE UPTO CARRYING CAPACITY OF &gt; 6</b>										
Except E-Ricksaw	2595 + 1241 p/pass	1.26	1.292	1.323	1.272	1.304	1.336	1.278	1.310	1.342
E-CART (Rickshaw)	1685 + 806 p/pass	1.26	1.292	1.323	1.272	1.304	1.336	1.278	1.310	1.342

<b>THREE WHEELED PASSENGER CARRYING VEHICLES - CARRYING CAPACITY OF 6 &gt; 17</b>										
6913 + 1379 x No. of Pass.		1.759	1.803	1.847	1.777	1.821	1.860	1.785	1.830	1.874
<b>THREE WHEELED PASSENGER CARRYING VEHICLES - CARRYING CAPACITY above 17</b>										
15845 + 969 x No. of Pass.		1.759	1.803	1.847	1.777	1.821	1.860	1.785	1.830	1.874

<b>FOUR (or more) WHEELED VEHICLES WITH PASSENGERS CARRYING CAPACITY OF EXCEEDING 6 and THREE WHEELERS WITH CARRYING CAPACITY EXCEEDING 17 PASSENGERS (PP per passenger)</b>											
Upto 18 Pass	SCHOOL BUSES	OTHER BUSES	350 + 1.656	350 + 1.697	350 + 1.739	350 + 1.672	350 + 1.714	350 + 1.756	350 + 1.680	350 + 1.722	350 + 1.764
19 - 36 Pass.	13874	14494	450 + 1.656	450 + 1.697	450 + 1.739	450 + 1.672	450 + 1.714	450 + 1.756	450 + 1.680	450 + 1.722	450 + 1.764
37 - 60 Pass.	13874	14494	550 + 1.656	550 + 1.697	550 + 1.739	550 + 1.672	550 + 1.714	550 + 1.756	550 + 1.680	550 + 1.722	550 + 1.764
Exceeding 60	13874	14494	680 + 1.656	680 + 1.697	680 + 1.739	680 + 1.672	680 + 1.714	680 + 1.756	680 + 1.680	680 + 1.722	680 + 1.764
	848 PP	886 PP									

<b>TWO WHEELED VEHICLES USED FOR CARRYING PASSENGER FOR HIRE AND REWARD</b>											
Upto 75 cc	861 + 580 x P/Pass	<b>TRAILERS (T.P. PREMIUM):</b>				1.743	1.787	1.830	1.794	1.839	1.884
76 - 150 cc	861 + 580 x P/Pass	<b>Agriculture Tractor - Rs. 857-00 upto 6 HP.</b>				1.743	1.787	1.830	1.794	1.839	1.884
150 - 350 cc	861 + 560 x P/Pass	<b>Other Vehicles - Rs. 2341-00 Misc. &amp; Spl. Types of Vehicles (Class C)</b>				1.830	1.876	1.922	1.884	1.931	1.978
More 350 cc	2254 + 580 x P/Pass					1.917	1.965	2.013	1.973	2.021	2.072

<b>MISCELLANEOUS CLASS OF VEHICLES (TP Premium for TRAILERS as above)</b>											
Agriculture Tractors of upto 6 HP, Horse, Plane Loader and Tractor fitted to Misc. & Special Vehicles.		1550	1.190	1.220	1.250	1.202	1.232	1.262	1.208	1.238	1.268
Other Misc. Spl. Type of Vehicles		6847	1.190	1.220	1.250	1.202	1.232	1.262	1.208	1.238	1.268

Short Period Rates for Other than Liability only Policy		N.C.B. SLABS	Age of Vehicle	% of Dep. for Fixing IDV
Not Exceeding 1 month	20% of annual Rate	20%	Upto 6 months	5%
Between 1 and 2 months	30% of annual Rate	25%	6 months to 1 Year	15%
Between 2 and 3 months	40% of annual Rate	35%	1 Year to 2 Years	20%
Between 3 and 4 months	50% of annual Rate	45%	2 Year to 3 Years	30%
Between 4 and 5 months	60% of annual Rate	50%	3 Year to 4 Years	40%
Between 5 and 6 months	70% of annual Rate	On occurrence of a claim, NCB shall revert to Zero	4 Year to 5 Years	50%
Between 6 and 7 months	80% of annual Rate			
Between 7 and 8 months	90% of annual Rate			
Exceeding 8 months	Full annual rate			

No Claim Bonus Rules: Policy has to taken within 90 days of previous policy expiry to earn NCB. To transfer policy on sale of vehicle the NCB has to be recovered of pro rata basis if the buyer is eligible for Nil or lesser NCB.

Restricted Cover for vehicle, Whilst in garage.			Liability + Fire + Theft	* Certain losses as per IMI-21 (a) are excluded in some Commercial Vehicles. These may be reinstated to some extent by additional premium @ 15% of Gross Own Damage Premium.
Risk	Premium Rates	Risk	Premium Rates	
Fire only	0.50% on IDV (Total)	LIA + Fire	Liability Premium + 25% O.D.	
Theft only	0.50% on IDV (Total)	LIA + Theft	Liability Premium + 30% O.D.	
Fire and Theft only	0.75% on IDV (Total)	LIA + Fire + Theft	Liability Premium + 50% O.D.	

Return to Invoice w.e.f. 01-07-2014

Policy/Veh. Age	2W & 4W (% of IDV)	Comm. & Misc.
Fresh i.e. New	0.30%	0.45%
1st Renewal	0.40%	0.55%
2nd Renewal	0.60%	0.70%