

NATIONAL LAW UNIVERSITY, JODHPUR

(School of Insurance Studies)

End Term Examination: Nov., 2025

Semester MBA (Insurance) I

Sub: Motor Insurance

26 NOV 2025

Duration: 3 Hrs.

Marks: 100

Instructions:

- 1 Attempt any 5(five) questions
 - 2 All questions carry equal marks.
 - 3 Simple calculator may be allowed.
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Question # 01

- (a) Explain the provisions governing the "Cancellation of Registration of a Vehicle" 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 provisions governing the grant of Contract Carriage Permit 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 those rules.

Question # 03

Elaborate the MV general regulations (GR) governing the following (Any three):

- (a) Certificate or Cover-note destroyed, torn, soiled, defaced or mutilated
- (b) Legal Liability to employees of insured other than Driver/Conductor/Cleaner and who may be travelling or driving the employer's car.
- (c) Transfer of Ownership
- (d) Personal Accident Owner / Driver Cover under Motor Policy

Question # 04

- (a) Describe the features of Motor Trade Package Policy.
- (b) To deal with any road traffic mis-happenings there are some specific provisions under Indian Penal Code and Motor Vehicle Act, elaborate the relevant provisions.

Question # 05

- (a) Describe the stepwise procedure of Effective settlement of Third Party Claims?
- (b) What do you mean by DAR? Who introduced this and under which section of the MV Act? Describe its role and importance in Motor third party accident claims?



Question # 06

- (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 Insurance Sector.
- (b) M/s Saurabh Transport Company owns a truck of 45000 kg GVW which is 1 year old and is due for renewal. The vehicle is registered at RTO Ahmedabad, Gujarat. The purchase price was 39,50,000/-, 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 7 including driver & cleaner. He also wants to have IMT 23 coverage. The transport company has not taken any claim in the existing policy. Premium for Non-fare-paying-passenger is Rs. 75/- per person.

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

FOR PRIVATE CARS / TWO WHEELERS

FOR ALL OTHER VEHICLES THERE ARE THREE ZONES

Zone-A : Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, Mumbai, New Delhi and Pune.
Zone-B : Rest of India

Zone-A : Chennai, Kolkata, Mumbai, Delhi/New 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			
PRIVATE CAR (PA Cover - 320)		New T. P. rates for 3 year LONG TERM (New Veh. Only) NIL DEP @ 1.32% OF IDV	(Extra Electrical / Electronics fitting @ 4% of the value of such fitting)								
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		
TWO WHEELERS (PA Cover - 360)		New T. P. rates for 5 year LONG TERM (New Veh. Only) NIL DEP @ 1.44% OF IDV	(Extra Electrical / Electronics fitting @ 4% of the value of such fitting)								
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	1.848	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		
NIL DEP. - Pvt. Car & T/Wheeler New and upto 6 month : 15% of OD. 6 months upto 2 years : 25% of OD. 2 years upto 5 years : 35% of OD. Above 5 yrs NOT AVAILABLE.			Own Damage (% on IDV) Zone "C"			Own Damage (% on IDV) Zone "B"			Own Damage (% 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 Yrs

GOODS CARRYING VEHICLES – PUBLIC CARRIER (Four or more wheeled) (PA Cover - 320)

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	"	"	"	"	"	"	"	"	"

GOODS CARRYING VEHICLES – PRIVATE CARRIER (Four or more wheeled) (PA Cover - 320)

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	"	"	"	"	"	"	"	"	"

GOODS CARRYING VEHs – PUBLIC CARRIER (3 whrs & Motorized P/Cycles) (PA Cover - 320)

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

GOODS CARRYING VEHs – PRIVATE CARRIER (3 whrs & Motorized P/Cycles) (PA Cover - 320)

Except E-CARTS	3914	1.148	1.177	1.205	1.159	1.188	1.217	1.165	1.194	1.223
E-CART (Rickshaw)	3204	1.148	1.177	1.205	1.159	1.188	1.217	1.165	1.194	1.223

FOUR WHEELED PASSENGER CARRYING VEHICLE UPTO CARRYING CAPACITY OF 6 (PA 320)

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.	2 yrs upto 5 yrs:40% of OD. 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 Yrs

THREE WHEELED PASSENGER CARRYING VEHICLE UPTO CARRYING CAPACITY OF > 6 (PA Cover - 320)		
Except E-Rickshaw	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

THREE WHEELED PASSENGER CARRYING VEHICLES - CARRYING CAPACITY OF 6 > 17 (PA Cover - 320)		
6913 + 1379 x No. of Pass.		1.759 1.803 1.847 1.777 1.821 1.866 1.785 1.830 1.874

THREE WHEELED PASSENGER CARRYING VEHICLES - CARRYING CAPACITY above 17 (PA Cover - 320)		
15845 + 969 x No. of Pass.		1.759 1.803 1.847 1.777 1.821 1.866 1.785 1.830 1.874

FOUR (or more) WHEELED VEHICLES WITH PASSENGERS CARRYING CAPACITY OF EXCEEDING 6 and THREE WHEELERS WITH CARRYING CAPACITY EXCEEDING 17 PASSENGERS (PP-per passenger) (PA Cover - 320)

Upto 18 Pass.	SCHOOL BUSES	OTHER BUSES	350 +	350 +	350 +	350 +	350 +	350 +	350 +	350 +	350 +
			1.656	1.697	1.739	1.672	1.714	1.756	1.680	1.722	1.764
19 - 36 Pass.	13874	14494	450 +	450 +	450 +	450 +	450 +	450 +	450 +	450 +	450 +
			1.656	1.697	1.739	1.672	1.714	1.756	1.680	1.722	1.764
37 - 60 Pass.	13874	14494	550 +	550 +	550 +	550 +	550 +	550 +	550 +	550 +	550 +
			1.656	1.697	1.739	1.672	1.714	1.756	1.680	1.722	1.764
Exceeding 60	13874	14494	680 +	680 +	680 +	680 +	680 +	680 +	680 +	680 +	680 +
	848 PP	886 PP	1.656	1.697	1.739	1.672	1.714	1.756	1.680	1.722	1.764

TWO WHEELED VEHICLES USED FOR CARRYING PASSENGER FOR HIRE AND REWARD (PA Cover - 320)

Upto 75 cc	861 + 580 x P/Pass	TRAILERS (T.P. PREMIUM):-	1.743	1.787	1.830	1.794	1.839	1.884
76 - 150 cc	861 + 580 x P/Pass	Agriculture Tractor = Rs. 857-00 upto 6 HP.	1.743	1.787	1.830	1.794	1.839	1.884
150 - 350 cc	861 + 580 x P/Pass	Other Vehicles = Rs. 2341-00 Misc. & Spl. Types of Vehicles (Class C)	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	2.023	2.072

MISCELLANEOUS CLASS OF VEHICLES (TP Premium for TRAILERS as above) (PA Cover - 320)

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

<u>Short Period Rates for Other than Liability only Policy</u>		<u>N.C.B. SLABS</u>	<u>Age of Vehicle</u>	<u>% of Dep. for Fixing IDV</u>
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		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			

On occurrence of a claim, NCB shall revert to Zero

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.

<u>Restricted Cover for vehicle, Whilst In garage.</u>			<u>Liability + Fire + Theft</u>		Certain losses as per IMT-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

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

NATIONAL LAW UNIVERSITY, JODHPUR
(School of Insurance Studies)
Mid Term Examination- 2025
Semester: MBA (Insurance) I
Sub: Motor Insurance

Duration 90 minutes

Marks: 50

All questions carry equal marks

Question # 01

- (a) To drive a motor vehicle in public place the person needs to have permission i.e. driving licence from the concerned authority. Elaborate the conditions / provisions governing the Renewal of Driving Licence.
- (b) Motor Vehicle Act deals with different colour of registration number plates, elaborate the types of vehicles these colours are used for?

Question # 02

No Owner of a vehicle shall use or permit to use transport vehicle in public place unless he has been issued a permit for the same by the competent authority, however there are certain type of vehicles which are exempted from this provision, explain.

Question # 03

Tankers are classified under Class A-4, they are being used for transporting non-solid goods, depending on the nature of goods different type of Tankers are used, specify.

Question # 04

Elaborate the coverages available under Motor Private Car Package Insurance Policy, with general exclusions applicable to all sections of the policy.

Question # 05

- (a) GR-31 deals with Concession for Laid up Vehicles, describe concerned provisions.
- (b) GR-36A deals with Compulsory Personal Accident Cover, elaborate the related provisions.