

PGDM (IBM) 2017-19
Property-II (Construction & Engineering Ins.)
Trimester – III, End-Term Examination: March 2018

INS-301

Time allowed: 2 Hrs 30 Min
Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
Total Marks			50

SECTION A

- A1. List the common plant and machinery found in practically all types of industries
- A2. What is the coverage provided under Electronic equipment Insurance policy? Can software be covered under the policy?
- A3. What is the scope of cover under Machinery Insurance policy?
- A4. What is a pressure vessel? Is it necessary to cover the Pressure vessel under BPP policy when these have been included in the SFSP (fire) policy?
- A5. Explain the scope of cover under Contractors' Plant & Machinery Insurance

SECTION B

- B1. A client who is a contractor wants to know what should be the period to be chosen under Project insurance (which according to the bar chart will be completed in 18 months). He has also been agreed for 12 months defects liability period. Explain to him your suggestions for policy period / testing period / extended maintenance period. He also wants to know when the policy period starts and ends. Explain
- B2. Ganesh Plastics is planning to expand their existing factory by building up additional blocks and by installing new modern machinery which will be imported from Germany. They hope to commission this in 18 months. Suggest to them the suitable insurance cover with relevant add on benefits. Explain to him advantages for the principal availed policy since he wants to engage 3 different contractors – for civil/ electrical and erection of P & M.

B3. Suri chemicals has planned for a cold storage unit near their factory. They want your advices as to the cover provided under DOS cover under engineering policy. Explain the requirements and cover provided under this DOS policy.

SECTION C

ABC Company has insured their electrical motors under Machinery policy with 10% escalation. The policy contains provision for express freight, Holiday and overtime wages extension for 1 Lac; Clearance and removal of Debris for 1 Lac. Following an accident in one of the motors, the surveyor had been appointed. According to the survey report one of the motors had been affected by over – voltage and needed repairs. The client has submitted bills for repairs at 5 Lac. The surveyor felt that the PDRV of the machine is 20 Lacs and it has been insured for 15 Lacs and hence there is under insurance. The client has spent Rs. 50000 of which 5000 as overtime wages by carrying out the work done on Holidays . Salvage value is 10000/ Rate is 1%. Excess under the policy is 10000/ Work out the loss amount payable to the Insured. Policy period is 1-1-2018 to 31-12-2018. Date of loss 1-2-2018
