

PGDM-IBM, 2018-20
Sub.: Motor Insurance-II (Third Party)
Paper Code: INS-505
Trimester-V, End Term Examinations: December-2019

Time Allowed : 2½ hrs.

Roll No.: _____

Marks: 50

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	Total Marks
A	Minimum 3 question with internal choices and CILO (Course Intended Learning Outcome) covered Or Maximum 6 questions with internal choices and CILO covered (as an example)	3*10 6*5	30
B	Compulsory Case Study with minimum of 2 questions	20	20
			50

Section-A

A1. 'Third party' includes the Government, the driver and any other co-worker on a transport vehicle'. Discuss the concept of Third Party as provided in Motor Vehicles (Amendments Act) 2019. (CILO3)

Or

A1 'In any claim for compensation under sub-section (1), the claimant shall not be required to plead or establish that the death or grievous hurt in respect of which the claim has been made was due to any wrongful act or neglect or default of the owner of the vehicle or of the vehicle concerned or of any other person'. In the light of above statement , compare and contrast No Fault Liability as provided in MV Act 1988 and Motor Vehicles (Amendments Act) 2019

(CILO3)

A2. 'A policy of insurance must be a policy which insures the person or classes of persons specified in the policy against any liability which may be incurred by him in respect of the death of or bodily injury to any person including owner of the goods or his authorised representative carried in the motor vehicle or damage to any property of a third party caused by or arising out of the use of the motor vehicle in a public place'.

Evaluate the above statement and comment as to what is meant by a) person or classes of persons specified in the policy and b) Public Place. (CILO2)

Or

A2. Describe the persons covered and not covered under Section 147 of Motor Vehicles (Amendments Act) 2019. Describe the rationale behind such inclusions and exclusions. (CILO2)

Contd..2/---

A3. 'The insurance company shall, upon receiving information of the accident either from claimant or through accident information report or otherwise, designate an officer to settle the claims relating to such accident'

Describe claim settlement methods as prescribed in Section 149 of Motor Vehicles (Amendments Act) 2019 (CILO1)

Or

A3. Explain how death and Permanent disability cases are settled under EC Act , 1923. Explain with example. (CILO1)

Section-B

Case Study Compulsory:-

Case-A :

Manohar died in a road accident .He was 30 year old professional working in a company and earning around Rs, 4,48 ,000/-p.a., survived by his widow and 2 minor children, 1 son aged 11 & another daughter aged 12 years, claimed compensation of Rs. 45,00,000/-,

Salary : Rs. 2,48,000/- p.a.

Income from 3 minibuses : Rs. 1,00,000/- p.a.

Agricultural income Rs. 80,000/- p.a.

House rent accrued to HUF Rs. 20,000/- p.a.

Total : Rs. 4,48,000/- p.a.

1. Calculate the compensation as per multiplier method .
2. Assuming that the deceased was a bachelor of 28 years old and survived by his parents aged 51 & 54 respectively (CILO3)

Case-B :

No-Fault Liability of MV Act,1988 provides for interim compensation on 'No Fault' Basis. Rs.50,000/- for death & Rs.25,000/- for permanent disablement and Rs. 5 lac for death & 2.5 lac for grievous injury.

It also provides an option to claim either u/s 140 or u/s 163-A, M.V.Act 1988 . But in case of later the compensation will be a final one. Joydeep a labourer met with an accident and died in a road accident involving a bus .The bus was insured with New India Assurance Co.Ltd. Joydeep earned around Rs.48000/- per year . As a consultant, suggest how the legal heir of Joydeep deals with this case.

(CILO2)