

Marking Scheme Strictly Confidential (For Internal and Restricted use only) Senior Secondary School Examination, 2026 (XIIth) SUBJECT NAME : Insurance (Q.P. CODE 814/338)	
<u>General Instructions: -</u>	
1	The CBSE has decided to introduce On Screen Marking (OSM) for the evaluation of Class XII answer Book with the 2026 Examination.
2	You are aware that evaluation is the most important process in the actual and correct assessment of the candidates. A small mistake in evaluation may lead to serious problems which may affect the future of the candidates, education system and teaching profession. To avoid mistakes, it is requested that before starting evaluation, you must read and understand the spot evaluation guidelines carefully.
3	“Evaluation policy is a confidential policy as it is related to the confidentiality of the examinations conducted, evaluation done and several other aspects. Its leakage to public in any manner could lead to derailment of the examination system and affect the life and future of millions of candidates. Sharing this policy/document to anyone, publishing in any magazine and printing in Newspaper/Website, etc. may invite action under various rules of the Board and IPC.”
4	Evaluation is to be done as per instructions provided in the Marking Scheme. It should not be done according to one’s own interpretation or any other consideration. Marking Scheme should be strictly adhered to and religiously followed. However, while evaluating, answers which are based on latest information or knowledge and/or are innovative, they may be assessed for their correctness otherwise and due marks be awarded to them. In Class-XII, while evaluating two competency-based questions, please try to understand given answer and even if reply is not from marking scheme but correct competency is enumerated by the candidate, due marks should be awarded.
5	The Marking scheme carries only suggested value points for the answers. These are in the nature of Guidelines only and do not constitute the complete answer. The students can have their own expression and if the expression is correct, the due marks should be awarded accordingly.
6	The Head-Examiner must go through the first five answer books evaluated by each evaluator on the first day, to ensure that evaluation has been carried out as per the instructions given in the Marking Scheme. If there is any variation, the same should be zero after deliberation and discussion. The remaining answer books meant for evaluation shall be given only after ensuring that there is no significant variation in the marking of individual evaluators.
7	Evaluators will mark (✓) wherever answer is correct. For wrong answer CROSS ‘X’ be marked. Evaluators will not put right (✓) while evaluating which gives an impression that answer is correct and no marks are awarded. This is most common mistake which evaluators are committing.
8	If a question has parts, please award marks on the right-hand side for each part in the OSM Portal. Marks awarded for different parts of the question will be totaled up by the OSM System.
9	If a question does not have any parts, marks must be awarded in the left-hand margin in the OSM Portal. This may also be followed strictly.

10	No marks to be deducted for the cumulative effect of an error. It should be penalized only once.
11	A full scale of marks _____ (example 0 to 80/70/60/50/40/30 marks as given in Question Paper) has to be used. Please do not hesitate to award full marks if the answer deserves it.
12	Every examiner has to necessarily do evaluation work for full working hours i.e., 8 hours every day and evaluate 20 answer books per day in main subjects and 25 answer books per day in other subjects (Details are given in Spot Guidelines). This is in view of the reduced syllabus and number of questions in question paper.
13	<p>Ensure that you do not make the following common types of errors committed by the Examiner in the past :-</p> <ul style="list-style-type: none"> • Answers marked as correct, but marks not awarded. (Ensure that the right tick mark is correctly and clearly indicated. It should merely be a line. Same is with the X for incorrect answer.) • Half or a part of answer marked correct and the rest as wrong, but no marks awarded.
14	While evaluating the answer books if the answer is found to be totally incorrect, it should be marked as cross (X) and awarded zero (0) Marks.
15	The Examiners should acquaint themselves with the guidelines given in the "Guidelines for Spot Evaluation" before starting the actual evaluation.
16	The candidates are entitled to obtain photocopy of the Answer Book on request on payment of the prescribed processing fee. All Examiners/Additional Head Examiners/Head Examiners are once again reminded that they must ensure that evaluation is carried out strictly as per value points for each answer as given in the Marking Scheme.
17	If a candidate attempts both alternatives/options in a question, where only one option/alternative is required to be attempted, the Evaluator shall award marks in both the options. The system will take the higher of two scores and disregard the other response.
18	In a question having two options/alternatives, if a candidate has attempted only one, then the evaluator shall mark "NA" (Not Attempted) against the option that has not been attempted by the candidate.

MARKING SCHEME
INSURANCE (Subject Code-814)
(PAPER CODE : 338) (P3380814)

Q.No.	EXPECTED OUTCOMES/VALUE POINTS	Marks
	SECTION – A (Objective Type Questions)	
1.	<p>Answer any 4 out of the given 6 questions on employability skills.</p> <p>(i) (C) Imperative [Step-1, 1mark] (unit-1, Page No: 20)</p> <p>(ii) (A) Self-Confidence [Step-1, 1mark] (unit-2, Page No: 38)</p> <p>(iii) Motivation is derived from the word 'Motive'. [Step-1, 0.5 mark] It indicates a directing behaviour towards a certain goal. [Step-2, 0.5mark] (unit-2, Page No: 24)</p> <p>(iv) (D) Graphic [Step-1, 1mark] (unit-3, Page No: 45)</p> <p>(v) (i) Environmental barrier → Ex. Lack of resources and lack of skilled labour. [Step-1, 0.5 mark] (ii) Personal barriers → Ex. Self doubt and Forming a team and team work. [Step-1, 0.5mark] (unit-4, Page No: 92, 93)</p> <p>(vi) (D) Chief Sustainability officer [Step-1, 1mark] (unit-5, Page No: 113)</p>	<p>(4x1=4) 1</p> <p>1</p> <p>1</p> <p>1</p> <p>(0.5x2)</p> <p>1</p>
2.	<p>Answer any 5 out of the given 7 questions</p> <p>(i) Risk [Step-1, 1mark]</p> <p>(ii) (B) British Rule [Step-1, 1mark]</p> <p>(iii) GTC Assets Management Company. [Step-1, 1mark]</p> <p>(iv) Agricultural Insurance Company of India Ltd [Step-1, 1mark]</p> <p>(v) (c) It means financial state in the subject matter insured [Step-1, 1mark]</p> <p>(vi) Oriental Insurance Company [Step-1, 1mark]</p> <p>(vii) To escape the loss of theft incurred by the employee [Step-1, 1mark]</p>	<p>(5x1=5) 1 1 1 1 1 1</p>

	(Ins Text Book Page 14,19,20,26,21,128)	
3.	<p>Answer any 6 out of the given 7 questions</p> <p>(i) (b) Principle of Indemnity [Step-1, 1mark]</p> <p>(ii) (c) London [Step-1, 1mark]</p> <p>(iii) (c) Neighbour living nearby [Step-1, 1mark]</p> <p>(iv) Specific Policy [Step-1, 1mark]</p> <p>(v) Policy Certificate [Step-1, 1mark]</p> <p>(vi) Nicholas Barbon [Step-1, 1mark]</p> <p>(vii) Burglary and theft Insurance [Step-1, 1mark]</p> <p>(Ins Text Book Page 43,44,52,47,50,128)</p>	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>
4	<p>Answer any 5 out of the given 6 questions</p> <p>(i) (b) Phillip – II [Step-1, 1mark]</p> <p>(ii) (b) Marine Insurance act 1906 [Step-1, 1mark]</p> <p>(iii) Open/Unvalued Policy [Step-1, 1mark]</p> <p>(iv) (A) F.O.B [Step-1, 1mark]</p> <p>(v) Express warranty [Step-1, 1mark]</p> <p>(vi) (b) Business [Step-1, 1mark]</p> <p>(Ins Text Book Page 63,64,71,69,128)</p>	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>
5.	<p>Answer any 5 out of the given 6 questions</p> <p>(i) (A) Private Car</p> <p>(B) Motor cycle and Motor scooter [Step-1, 0.5mark]</p> <p>(C) Commercial Vehicles [Step-1, 0.5mark]</p> <p>(ii) Motor Vehicle act 1988 [Step-1, 1mark]</p> <p>(iii) Unlimited [Step-1, 1mark]</p> <p>(iv) (C) Section 140 [Step-1, 1mark]</p> <p>(v) Insured Declared Value [Step-1, 1mark]</p>	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p>

	(vi) Deed, Bond, [Step-1, 0.5mark] Bill of exchange, damage of any kind or any other. [Step-2, 0.5mark] (Ins text Book Page 86,87,89,95)	
6.	Answer any 5 out of the given 6 questions (i) Hugh [Step-1, 1mark] (ii) (b) Third party Administrator [Step-1, 1mark] (iii) (c) Cosmetic Surgery [Step-1, 1mark] (iv) Personal accident policy [Step-1, 1mark] (v) 60 years [Step-1, 1mark] (vi) Employer [Step-1, 1mark] (Ins text Book (age 109,111,112,114,117,118))	(5x1=5) 1 1 1 1 1 1
	SECTION – B (Subjective Type Questions)	
	Answer any 3 out of the given 5 questions on employability skills	3x2=6
	Answer each question in 20-30 words	
7.	Subjective question – Answer may vary according to student. [Step-1, 0.5mark] [Step-2, 0.5mark] [Step-3, 0.5mark] [Step-4, 0.5mark] (unit-1)	2
8.	Importance of positive thinking in life : (i) A positive thinking makes a person happier and helps build and maintain relationships. [Step-1, 1mark] (ii) It can help the person make better decisions positive attitude helps improve mental and physical health. [Step-2, 1 mark] (unit-2, Page No: 24)	2
9.	(1) Click on the Tools and select Protect spread sheet. [Step-1, 0.5 mark] (2) A protect Document dialog box appears. [Step-1, 0.5 mark] (3) Type in a password. [Step-1, 0.5 mark]	2

	<p>(4) Type the same password in confirm text box.</p> <p>(5) Click on Ok. [Step-1, 0.5 mark]</p> <p>(6) Now, When you close the file and open it again, it will ask for the password. Remember this password so, that you can open the file. (unit-3, Page No: 60)</p>	
10.	<p>(i) Organisational skills refer to the ability of making optimal use of one's time, energy and resources to achieve one's goal. [Step-1, 1mark]</p> <p>(ii) The skills include - Time management, Goal setting, Efficiency Managing quality. [Step-1, 1mark]</p> <p>(unit-4, Page No: 104)</p>	2
11.	<p>Some ways are :-</p> <p>(1) Reusing Scrap material [Step-1, 0.5 mark]</p> <p>(2) Ensuring quality Control [Step-2, 0.5 mark]</p> <p>(3) Waste Exchange [Step-3, 0.5 mark]</p> <p>(4) Managing e-waste & Use of eco-friendly material [Step-4, 0.5mark]</p> <p>(unit-5,Page No:119,120)</p>	2
	Answer any 3 out the given 5 questions in. 20-30 words each.	
12.	<p>(i) GIC was setup as a holding company, it had four subsidiaries, New India, oriental, United India and National Insurance Companies. [Step-1, 1mark]</p> <p>(ii) The GIC cannot offer any direct insurance except the aviation Insurance and Crop Insurance etc. [Step-1, 1mark]</p> <p>Foundation Insurance standard XII Student Hand Book. (unit-1, Page No: 20)</p>	2
13.	<p>(i) The financial loss should be an account of five resulting in damage or destruction of property or goods. [Step-1, 1mark]</p> <p>(ii) The maximum amount which the insured can claim as compensation in the event of loss is agreed to between the parties at the time of entering in to the contract. [Step-1, 1mark]</p> <p>(unit-2, Page No: 43)</p>	2

14.	<p>(1) Sue and Labour :- The clause authorise the insured to take all possible steps to avert minimise the loss or to protect the subject matter insured in case of danger. [Step-1, 1mark]</p> <p>(2) The insurer is liable to pay the expenses if any incurred by the insured for this purpose. [Step-1, 1mark]</p> <p style="text-align: right;">(Unit-3, Marine Ins)</p>	2
15.	<p>(i) Road Safety (ii) Traffic Regulation (iii) Road regulating (iv) Managing motor vehicle administrator in India (v) Regulate vehicle registration (vi) Compensation for accident victims (vii) Environmental Protection</p> <p>[Step-1, 1mark] explanation of any one point [Step-2, 1mark] explanation of any one point</p> <p style="text-align: right;">Explain any two points one mark for each. (Unit-4, Motor Insurance act 1988)</p>	2
16.	<p>(i) Loss of property (ii) Damage to Property (iii) Damage to Premises (iv) Damage to Assets (v) Attempted burglary (vi) Financial Protection</p> <p>[Step-1, 1mark] explanation of any one point [Step-2, 1mark] explanation of any one point</p> <p style="text-align: right;">Explain Any two points one mark for each point. (Unit-6, Page No: 120)</p>	2
	Answer any 2 out of the given 3 questions in 30-50 words.	
17.	<p>(i) In Case of Life and personal accident (i.e accident to an individual) Insurance it is not possible to make & financial evaluation of the loss. Hence the Principle of Indemnity cannot be strictly made applicable to this case. [Step-1, 1mark]</p> <p>(ii) There are certain Insurance policies called agreed value policies. Principle of Indemnity cannot be strictly applicable. [Step-2, 1mark]</p>	3

	<p>(iii) Another type of policies, where the principle of Indemnity cannot be strictly followed such policies are called instalment policies issued for fire insurance or any other. [Step-3, 1mark]</p> <p>(Unit-1, Page No: 29)</p>	
18.	<p>In Average Policy of Fire Insurance loss will be compensated proportionally if subject matter is understated in the proposal form example. [Step-1, 1mark]</p> <p>If the actual value of the property is Rs 5,00,000 and same is insured for Rs 4,00,000 and loss on account of fire is Rs 1,00,000. [Step-2, 1mark]</p> <p>In such case the Insured will get $\frac{4,00,000}{5,00,000} \times 1,00,000 = 80,000$ /- Hence Rs 20,000 shall be borne by the Insured. [Step-3, 1mark]</p> <p>(Unit-2, Fire Ins)</p>	3
19.	<p>Reasons by which the Insurance company can reject the claim of burglary Insurance.</p> <p>(i) Incorrect or missing information on claim form.</p> <p>(ii) Premium is not paid.</p> <p>(iii) Policy lapse. [Step-1, 1mark]</p> <p>(iv) If, security systems are inactive, indicating negligence in adhering to policy requirements.</p> <p>(v) Failing to Report to the police and insurer in a time period. [Step-2, 1mark]</p> <p>(vi) If the insured property remained vacant for a long time without notifying insurer.</p> <p>(vii) Loss occurred due to war perils, riots & strike and nuclear perils or any others. [Step-3, 1mark]</p> <p>(Unit-6, Burglary Ins)</p>	3
	Answer any 3 out of the given 5 questions in 50-80 words each.	
20.	<p>Four Points Explain.</p> <p>(i) Risk [Step-1, 1mark] with explanation</p> <p>(ii) Tenure [Step-2, 1mark] with explanation</p> <p>(iii) Beneficiary [Step-3, 1mark] with explanation</p> <p>(iv) Payment Premium [Step-4, 1mark] with explanation</p> <p>(unit-1 gen Ins)</p> <p>Or any other</p>	4
21.	<p>The following Procedure should be followed in the event of loss of fire.</p> <p>(i) Intimate such loss / damage immediately so that a competent surveyor may be deputed to assess the loss. [Step-1, 1mark]</p> <p>(ii) Give an account of all properties damaged or destroyed with estimated amounts having regard to their values as on the date and place of loss. [Step-2, 1mark]</p> <p>(iii) Cooperate with surveyors by providing all the necessary documents for assessment of loss and establishing liability. [Step-3, 1mark]</p> <p>(iv) Cooperate with the insurer in all their activities of entering the Premises, taking possession of Properties their examining, sorting removing to your account without Prejudice.</p>	4

	<p>(v) Inform Particulars of all other insurances existing on the Property at the Time of loss. [Step-4, 1mark]</p> <p>(Page No: 40 Fire Ins)</p>	
22.	<p>Mr. Rahul will arrange the Insurance as per the sale contract CIF. [Step-1, 1mark]</p> <p>If any loss arises during the transit then, Mr. Rahul will be entitled to get the compensation from the Insurance Company because under the sale contract CIF the seller is responsible for arranging the carriage (i.e the ship) and delivering the goods at the port of destination. [Step-2, 2mark]</p> <p>More over under this contract the seller assumes responsibility for the Insurance and the insurance charges are indicated in the invoice along with the other charges. [Step-3, 1mark]</p> <p>(unit-3, Marine Ins)</p>	4
23.	<p>The following procedure should be followed in case of own Damage claims.</p> <p>(a) A notice of loss is to be given by the insured, in case of accident to the insurer.</p> <p>(b) The insurer would first check whether the Insurance Policy was valid at the Time of accident and also the vehicle in questions in fact covered by the policy.</p> <p>(c) The Loss is entered in the claim register and a claim form is issued to the insured for completion and return.</p> <p>(d) The insured is required to get an estimate of repairs from a Repairer.</p> <p>(e) Assessment : After receipt of Repair estimate the matter is referred to an Independent surveyor. These surveyors are individuals with engineering background. After inspecting the damaged vehicle and, after discussion with the repairer and determine the cost of repair or replacement.</p> <p>(f) Settlement : The Survey Report is examined and settlement is effected in accordance with the recommunication contained there in.</p> <p>(g) Claim documents : Driving license, R.C Fitness certificate, Permit, Final bills, repairs, satisfaction note from Insured Discharge vouchers.</p> <p>Any four 1 mark each</p> <p>[Step-1, 1mark]</p> <p>[Step-2, 1mark]</p> <p>[Step-3, 1mark]</p> <p>[Step-4, 1mark]</p> <p>(Unit-4, Motor Vehicle act)</p>	4
24.	<p>Contents that are Covered Under Health Insurance.</p> <p>* Room boarding expenses [Step-1, 1mark]</p> <p>* Nursing expenses [Step-2, 1mark]</p> <p>* Fees of Surgeon anaesthetist, Physician Consultants ; Specialists. [Step-3, 1mark]</p>	4

	<p>* Anaesthesia, blood, oxygen, operation theatre charges, surgical appliances medicines drugs, diagnostic materials, X-ray Radio therapy, Chemotherapy, cost of pace maker, Artificial limbs, cost of organs, and other similar expenses. [Step-4, 1mark]</p> <p>(Unit-5, Mediclaim Accident, page No: 110)</p>	
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