

## Principle of Commerce (English Medium) - 11th Class Principle of Commerce Chapter 18 Short Questions Preparation

## Q1. Define Insurance Ans 1: "Insurance means undertaking by a company, society or the state to provide safeguard aginst loss, provision against sickness, death, etc. in return for regualr payment. Q2. What are teh important types of insurance. Ans 1: i- Marine insurnace ii- Fire insurance iii- Life assurance Ans 2: iv- Accidental insurance. Q3. What are teh importnat kind of marine insurance. Ans 1: i- Voyage pooicy ii- Time policy iii- Mixed policy Ans 2: iv- Vatued policy v- Unvalued policy vi- Coposite policy Ans 3: vii- Floating policy viii- Fleet insurance policy Q4. What is the important conditons and requirements of marine insurance. **Ans 1:** i- The insured must have insurable interest in the property insured. Ans 2: ii- The insurer shallpromise to the insured that the ship is in a good condition and can face the ordinary porils of the sea. Ans 3: iii- The insured must also get a gurantee that the voyage of the ship is lawfuul .The illegality of the venture makes the controt of insurance void. Q5. State some conditions of fire insurance. Ans 1: i- In fire insurance the insurer promises the insured to indemnity the loss due to fire.

Ans 2: ii- The risk covered by the contract is due to fire on andy course which maby be the approximate came of damage.

Ans 3: iii- Fire insurance contract is renewed year after year.

- Q6. What is meant by marine insurance.
  - **Ans 1:** A marine insurance policy is a contract where by the insurer undertakes to indemnify the insured, in manner and to the extent threby agreed, against the losses incidental to marine adventure.
- Q7. Define Accidental insurance.
  - **Ans 1:** The insurance policy in which the insurance company promises to compensate all the losses of the insured casued by an accident.
- Q8. What is menat by fire insurance.
  - **Ans 1:** Fire insurance is a contrct between the insurance comapny and the policy holder wherein the insurance company undertakes, in exchange for a premium, to indemnify the loss of damage caused to the specified property of the insured byfire or lighting.
- Q9. State the important kinds of accidental insurance.
  - **Ans 1:** i- Property's aceldental insurance.
  - Ans 2: ii- Moter cycle and car's aceidental insurance
  - Ans 3: iii- Personal accidental insurance.
- Q10. Define Life insurance.

**Ans 1:** Life Insurance is defined as a contract whereby the insurer in consideration of a premium paid in lamp sum of in periodic instalments undertakes to pay a specified sum either on the death of the insured or on the expiry of specified number of years in the policy.