



INDIAN SCHOOL AL WADI AL KABIR

Class: XI	Department: Commerce
Worksheet no: 2	Topic: Business Services (MCQs)

1. Which of the following is not a function of insurance?
 - (a) Risk sharing
 - (b) Assist in capital formation
 - (c) Lending of funds
 - (d) None of the above
2. What is the full form of WWW?
 - (a) World Wide Width
 - (b) World Wide Work
 - (c) World Wild Web
 - (d) World Wide Web
3. Which is the central Bank of India?
 - (a) Central Bank
 - (b) State Bank of India
 - (c) Bank of India
 - (d) Reserve Bank of India
4. Which of the following is not applicable in a life insurance contract?
 - (a) Conditional contract
 - (b) Unilateral contract
 - (c) Indemnity contract
 - (d) None of the above

5. 1.Assertion (A): According to principle of subrogation the insured should not be allowed to make any profit by selling damaged property or in the case of lost property being recovered.

Reason(R): The principle of subrogation is a corollary to the Principle of Indemnity and the damaged goods will belong to the insurance company, once the compensation is paid. It also states that insurance is not a contract of making a profit.

(a) Both Assertion and Reason are correct and the Reason is a correct explanation of the Assertion.

(b) Both Assertion and Reason are correct but Reason is not a correct explanation of the Assertion.

(c) The Assertion is correct but Reason is incorrect.

(d) Both the Assertion and Reason are incorrect.

6. Mr. David a businessman is involved in daily dealings of cash through the account of his business in Axis Bank due to the unavailability of funds and the urgent need to pay his creditors he approaches the bank to withdraw more than the balance available in his account using the facility provided to him by the bank. His wife also held an account in the same bank and wanted to transfer the Rs.500000 to her parents but she did not have an e-banking facility in her saving account. But Bank helped her to transfer the money.Name the facility provided by the bank to David when there were no funds in his account to pay his creditors.

(a) Overdraft facility

(b) Transfer facility

(c) Fixed deposits facility

(d) All the above

7. The validity period of a demand draft is _____.

(a) One month

(b) Two Months

(c) Three months

(d) Six Months

8. Which of the following is a contract of Indemnity?

- (a) Marine Insurance
- (b) Fire Insurance
- (c) Life Insurance
- (d) All of the above

9. Ankur saves Rs.3,000 every month. Which type of Bank Account he should open with the bank?

- (a) Current Account
- (b) PPF Account
- (c) Recurring Deposit Account
- (d) Saving Account

10. _____ is not a type of general insurance.

- (a) Marine Insurance
- (b) Fidelity Insurance
- (c) Fire Insurance
- (d) Life Insurance

11. UPI stands for-

- (a) Unique Payment Introduction
- (b) Union Payment Interface
- (c) Upper Payment Interface
- (d) Unified Payment Interface

12. Which of the following is an allied postal service?

- (a) Greeting post
- (b) Media post

(c) Speed post

(d) Passport Application

13. The functions of commerce include _____.

(a) Acceptance of deposits

(b) Granting of loans

(c) Locker facility

(d) All of the above

14. A person gets his stock of Rs.25,000 insured for Rs.35,000. A fire occurs and the whole stock gets damaged. The insurance company will pay him only Rs.25,000, the actual value of his stock and not Rs.35,000. Which principle of insurance is applied in this case?

(a) Principle of Contribution

(b) Principle of Subrogation

(c) Principle of Indemnity

(d) Principle of Insurable Interest

15. In which year Insurance Act was amended in India?

(a) 1940

(b) 1928

(c) 1938

(d) 1945

16. A plant manager gets his stock of goods insured but he hides the fact that the electricity board has issued him a statutory warning letter to get his factory wiring changed. Later on, the factory catches fire due to a short circuit. Which principle is violated in the case?

(a) Principle of Subrogation

(b) Principle of Utmost Good Faith

(c) Principle of Indemnity

(d) Principle of Insurable Interest

17. Without disclosing that he is suffering from TB, Mr. A gets himself insured against death for rupees 10 lakhs. He lives for another three-four years and dies due to TB. The insurance company comes to know about Mr. A's illness only after his death. Now, under these circumstances, the insurance company is not liable to pay anything to the dependents of Mr. A as the contract between the insurance company and Mr. A is void. Identify the principle of insurance to which the above example is related:

- (a) Utmost good faith
- (b) Insurable interest
- (c) Indemnity
- (d) Subrogation

18. Which of the following is not related to Life Insurance Contract?

- (a) Conditional Contract
- (b) Unilateral Contract
- (c) Indemnity Contract
- (d) None of these

19. Assertion (A): The subject matter of life insurance is human life.

Reason(R): Marine insurance has the element of protection only.

- (a) Both Assertion and Reason are correct and the Reason is a correct explanation of the Assertion.
- (b) Both Assertion and Reason are correct but Reason is not a correct explanation of the Assertion.
- (c) The Assertion is correct but Reason is incorrect.
- (d) Both the Assertion and Reason are incorrect.

20. Which of the following is not covered under general insurance?

- (a) Fire insurance (b) Theft insurance.
- (c) Life insurance (d) marine insurance