



# INDIAN SCHOOL AL WADI AL KABIR

Class: XI	Department: Commerce
Worksheet: 01	BUSINESS STUDIES
Topic-MCQs	Chapter 4 - BUSINESS SERVICES

Q. No	
1	<p>‘One cannot taste a doctor’s treatment, or touch entertainment. One can only experience it’. Which characteristic of service is depicted here?</p> <ol style="list-style-type: none"><li>Inseparability</li><li>Intangibility</li><li>Inconsistency</li><li>None of the above.</li></ol>
2	<p>Which of the following statements are not true about services?</p> <ol style="list-style-type: none"><li>Services are experiential in nature.</li><li>It is often not possible with services that have to be consumed as and when they are produced.</li><li>services are perishable and providers can, at best, store some associated goods but not the service itself.</li><li>The tangible components of services can be stored for a future use.</li></ol>
3	<p>Banking services are classified under which type of business activity?</p> <ol style="list-style-type: none"><li>Primary activity</li><li>Secondary activity</li><li>Tertiary activity</li><li>Quaternary activity</li></ol>
4	<p>Which of the following is NOT a function of commercial banks?</p> <ol style="list-style-type: none"><li>Accepting deposits</li><li>Granting loans</li><li>Issuing currency notes</li><li>Safe custody of valuables</li></ol>
5	<p>The principle of insurance that states "insurance contract is based on trust and good faith" is:</p> <ol style="list-style-type: none"><li>Principle of Indemnity</li><li>Principle of Utmost Good Faith</li><li>Principle of Insurable Interest</li><li>Principle of Subrogation</li></ol>
	<p><b>Question No. 6 to 10 are based on the given text. Read the text carefully and answer the questions:</b></p> <p>Apni Bank is a popular private sector bank offering varied services. It offers many types of bank accounts options to its customers. Suresh, being a businessman has chosen the type of account in which deposits are the most liquid and there are no limits to the number of transactions or the number of transactions in a day. On the other hand, his mother has opened another account where she can conveniently deposit the money she saves. These accounts provide a cheque facility and offer a lot of flexibility for deposits and withdrawal from the accounts. Suresh's younger brother Mahesh has opened a special kind of account wherein he will deposit ₹ 1000 per month for the next two years. His sister Kavita deposited her savings in an account from where she can't withdraw funds once deposited</p>

	<p>before the expiry of a certain period of time.</p> <p><b>6. Identify the type of bank account being used by Suresh.</b></p> <p>a. Current Account b. Savings Account c. Recurring Deposit Account d. None of these</p> <p><b>7. Which of the following account was opened by Suresh's mother?</b></p> <p>a. Savings Account b. MODA c. Fixed Deposit Account d. Current Account</p> <p><b>8. Identify the type of account opened by Mahesh.</b></p> <p>a. Savings Account b. Current Account c. Fixed Deposit Account d. Recurring Deposit Account</p> <p><b>9. Which account was opened by Kavita?</b></p> <p>a. Current Account b. Savings account c. None of these d. Fixed Deposit Account</p> <p><b>10. Who will get the highest rate of interest on his/her deposits?</b></p> <p>a. Mahesh b. Suresh c. Kavita d. Suresh's mother</p>
<b>11</b>	<p><b>Assertion (A):</b> Rate of Interest on Savings account is lower than Fixed Deposit account. <b>Reason (R):</b> Savings account is most suitable for small households' savings.</p> <p>a. Both A and R are true and R is the correct explanation of A. b. Both A and R are true but R is not the correct explanation of A. c. A is true but R is false. d. A is false but R is true.</p>
<b>12</b>	<p><b>Assertion (A):</b> The insured may or may not have an insurable interest in the subject matter of insurance. <b>Reason (R):</b> Insurable interest means some pecuniary interest in the subject matter of the insurance contract.</p> <p>a. Both A and R are true and R is the correct explanation of A. b. Both A and R are true but R is not the correct explanation of A. c. A is true but R is false. d. A is false but R is true.</p>
<b>13</b>	<p><b>Assertion (A):</b> Fire Insurance policy doesn't have any surrender value. <b>Reason (R):</b> No amount is paid in case of fire insurance to the insured if he surrenders the policy as there is no loss to compensate.</p> <p>a. Both A and R are true and R is the correct explanation of A. b. Both A and R are true but R is not the correct explanation of A. c. A is true but R is false. d. A is false but R is true.</p>
<b>14</b>	<p>State True or False: <b>I. A fire insurance policy can be taken for any amount.</b></p> <p>a. True</p>

	<p>b. False</p> <p><b>II. The Insurable Interest in fire insurance should be at the time of insurance and at the time of damage.</b></p> <p>a. True</p> <p>b. False</p> <p><b>III. e-banking, lowers the transaction cost, adds value to the banking relationship and empowers customers.</b></p> <p>A. True</p> <p>B. False</p>																
15	<p>Fill in the blanks:</p> <p>a. _____ life insurance policy is taken up by two or more persons. The premium is paid jointly or by either of them in instalments or lump sum.</p> <p>b. If the insurance contract is terminated before time, the amount received is called _____</p>																
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	<table><tr><td>A</td><td>This principle suggest that it is the right of an insurance to call upon other liable insurance to contribute for the loss of payment</td><td>a</td><td>Sum assured</td></tr><tr><td>B</td><td>This principle states that it is the duty of the insured to take reasonable steps to minimise the loss to the insured property</td><td>b</td><td>Causa Proxima</td></tr><tr><td>C</td><td>The insurer is liable to compensate for the loss only if the proximate cause is covered under the policy</td><td>c</td><td>Contribution</td></tr><tr><td>D</td><td>This is the amount for which the insurance policy is taken</td><td>d</td><td>Mitigation</td></tr></table>	A	This principle suggest that it is the right of an insurance to call upon other liable insurance to contribute for the loss of payment	a	Sum assured	B	This principle states that it is the duty of the insured to take reasonable steps to minimise the loss to the insured property	b	Causa Proxima	C	The insurer is liable to compensate for the loss only if the proximate cause is covered under the policy	c	Contribution	D	This is the amount for which the insurance policy is taken	d	Mitigation
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16. B	<p>Write the expanded form of the following.</p> <table><tr><td></td><td>EXPANDED FORM</td></tr><tr><td>ATM</td><td></td></tr><tr><td>EFT</td><td></td></tr><tr><td>NEFT</td><td></td></tr><tr><td>RTGS</td><td></td></tr><tr><td>VSAT</td><td></td></tr><tr><td>DTH</td><td></td></tr><tr><td></td><td></td></tr></table>		EXPANDED FORM	ATM		EFT		NEFT		RTGS		VSAT		DTH			
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17	<p>Name the following.</p> <p>(a) Cheques which are encashable at bank counters are known as .....</p> <p>(b) Banks provide the facility of transfer of funds from one place to another place .....</p> <p>(c) Cheques which are deposited in payee's account are known as .....</p> <p>(d) Banks also provide services relating to bill payments, locker facilities &amp; underwriting etc. ....</p>																

<b>18</b>	Which of the following is a life insurance policy? (a) Whole Life Policy (b) Fire Insurance Policy (c) Marine Insurance Policy (d) Motor Insurance Policy
<b>19</b>	Identify the postal services offered in India from the following services a. Public Provident Fund (PPF) b. Kisan Vikas Patra, c. National Saving Certificates d. All the above.