



**INDIAN SCHOOL MUSCAT**  
**SENIOR SECTION**  
**DEPARTMENT OF COMMERCE AND HUMANITIES**  
**BUSINESS STUDIES (054)**  
**CLASS: XI**  
**WORKSHEET: NO: 04**  
**CHAPTER: 4**  
**BUSINESS SERVICES**



**I. MULTIPLE CHOICE QUESTIONS (Choose the Correct Alternative)**

1. This following is not an example for service.
  - a) Mobile phones
  - b) Banking
  - c) Warehousing
  - d) Insurance
  
2. Which of the following is not applicable to life insurance?
  - a) Conditional contract
  - b) Indemnity contract
  - c) Unilateral contract
  - d) none of these
  
3. This bank controls, regulates and supervises the activities of all the commercial banks of that country.
  - a) Cooperative banks
  - b) Commercial banks
  - c) Specialized banks
  - d) Central banks
  
4. This is a facility available on current accounts, to withdraw over and above the actual deposits.
  - a) Cheque facility
  - b) Credit card facility
  - c) Overdraft facility
  - d) Interest on deposits
  
5. EFT in e-Banking stands for:
  - a) Electric finance teller
  - b) Electronic fund transfer
  - c) Eligible fund transfer
  - d) Efficient fund transfer
  
6. State the principle which says that the insured should have pecuniary interest in the subject matter so that he suffers financially on the happening of the event.
  - a) Insurable interest
  - b) Indemnity
  - c) Subrogation
  - d) Utmost good faith
  
7. Under this policy, the insured sum is payable either on the death of the insured to his beneficiaries or on the maturity of the contract.
  - a) Whole life policy
  - b) Endowment life policy
  - c) Annuity policy
  - d) Joint life policy
  
8. The policy which has a surrender value or paid up value is
  - a) Health insurance
  - b) Marine insurance
  - c) Fire insurance
  - d) Life insurance

9. For this policy, insurable interest must be present only at the time of entering into the contract and not when the claim falls due.

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|---------------------|-------------------|
| a) Health insurance | c) Fire insurance |
| b) Marine insurance | d) Life insurance |

10. This deposit account is a combination of savings account and fixed deposits account in which the funds in the saving account can be converted into fixed deposits.

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|--------------------|------------------------------------|
| a) Savings account | c) Multiple option deposit account |
| b) Current account | d) Recurring deposit account       |

## II. VERY SHORT ANSWER QUESTIONS

1. What is e-banking? Discuss two benefits of e-banking provided to customers.
2. A person suffering from cancer does not disclose the fact while taking a life insurance policy. Name the principle he violated and explain it in about 50 words. Which value is missing in this case?
3. Sandy insured his house for ₹ 30, 00,000 against fire. A fire took place and the amount of loss was assessed at ₹20, 00,000. Sandy is claiming ₹ 30 lakhs from the insurance company. But the insurance company wants to pay only ₹20 lakhs. You have to assess the amount payable to Sandy. Also, explain the underlying principle of insurance.
4. Write a note on 'Health Insurance'.
5. State the two conditions that a claim for loss by fire must satisfy.
6. Explain the concept of marine insurance.

## III. LONG ANSWER QUESTIONS

1. Define the term 'insurance'. How does life insurance provide both protection and investment benefit?
2. List a few allied facilities provided by the Postal Department.
3. Explain the various functions of insurance.
4. What is the meaning of insurable interest? At what stages it should exist in different kinds of Insurance.
5. Banks perform a variety of functions, some of which are basic and primary while others are agency or general utility services in nature. Discuss briefly the important functions.
6. Differentiate between Life Insurance and Fire Insurance on the basis of  
(a) Subject Matter, (b) Element, (c) Indemnity (d) Loss measurement and  
(e) Duration.
7. The principles of insurance are the rules of actions or conduct adopted by stakeholders involved in the insurance business. Explain such specific principles of utmost significance to a valid insurance contract.