

CBSE

BUSINESS SERVICES WS 1

Class 11 - Business Studies

Section A

1. The foreign exchange banks, industrial banks, development banks, export-import banks, etc. which cater to the specific needs in the economy fall under which of the following categories: [1]
 - a) Co-operative banks
 - b) Central bank
 - c) Specialized banks
 - d) Commercial banks
2. Bankers are not only dealers of money but also leaders in: [1]
 - a) industry development
 - b) trade development
 - c) service development
 - d) economic development
3. In which year Children's Money Back plan was introduced? [1]
 - a) 1985
 - b) 1989
 - c) 1988
 - d) 1995
4. Which of the following does not indicate the nature of services? [1]
 - a) Inseparability
 - b) Involvement
 - c) Intangibility
 - d) Indifference
5. In which year Crop Insurance scheme was introduced in India? [1]
 - a) 1948-49
 - b) 1978-79
 - c) 1990-91
 - d) 1985-86
6. In order to meet the social goals like improving the standard of living for weaker sections of the society, providing health care and hygienic conditions in slum areas, etc. which services are provided: [1]
 - a) Social services
 - b) Individual services
 - c) Business services
 - d) Personal services
7. _____ banks are included in the second schedule of RBI. [1]
 - a) Commercial
 - b) State
 - c) Corporation
 - d) Scheduled
8. Which of the following is covered under the life Assurance policy? [1]
 - a) Declaration Policy
 - b) Act only
 - c) Cargo Insurance
 - d) Money Back Policy
9. The Central bank of any country supervises, controls, and regulates the activities of all the commercial banks of that country. In India, which Bank performs this role? [1]
 - a) State Bank of India
 - b) Revenue Bank of India

- a) profit
c) increase sales
- b) co-operation
d) income
21. Motor insurance had its beginning in the _____. [1]
a) United Kingdom
b) India
c) Pakistan
d) Japan
22. The arrangement by which a bank allows his customer to borrow money up to a specified limit is called _____. [1]
a) Pass Book
b) Cash Book
c) Cash Credits
d) Account Payee
23. A cheque in circulation for more than six months is called _____. [1]
a) post-dated cheque
b) crossed cheque
c) ordinary cheque
d) stale cheque
24. From the following which of this is covered under fire Insurance? [1]
a) Floating
b) Collective Policy
c) Voyage Policy
d) Term Policy
25. In which year Insurance Act was amended in India? [1]
a) 1928
b) 1945
c) 1940
d) 1938
26. Which of the following is a contract of utmost good faith? [1]
a) All of these
b) Marine Insurance
c) Fire Insurance
d) Life Insurance
27. Services like banking, insurance, transportation, warehousing and communication services belong to which of the following services: [1]
a) Individual services
b) Social services
c) Business services
d) Personal services
28. From the following which of this is covered under Burglary Insurance? [1]
a) Freight Insurance
b) Open cover policy
c) Liability Insurance
d) Jewellery and Valuables
29. The principle of indemnity is not applicable to which of the following: [1]
a) All of these
b) Marine Insurance
c) Fire Insurance
d) Life Insurance
30. From the following which of this is covered under Marine Insurance? [1]
a) Whole Life policy
b) Act only
c) Liability Insurance
d) Endowment Policy
31. Insurance provides financial support to the beneficiary after the death of the policy-holder is called _____. [1]

c) Principle of Indemnity

d) Principle of Mitigation of Loss

Section B

Question No. 41 to 45 are based on the given text. Read the text carefully and answer the questions:

[5]

Ruksar has recently completed her course in Fashion Designing from NIFT. Now her father wants her to do something creative. He has no consideration for earning money. He wants that Ruksar should teach fashion designing to those girls who have great interest in it but have failed to get admission to the Fashion Designing Course because of their poor financial position. His aim is to help the girls from poor families. So he gave ₹ 10 lakh to Ruksar to establish a Fashion Designing Centre. 50 girls could take admission in this centre. Ruksar announced nominal fees to be charged for admission. Within one week of the opening of the centre, all the seats were filled. After getting training in this centre, it became easy for the girls to get jobs in the market. Within a few months, Ruksar's centre became popular. She spent ₹ 5 lakh out of the total ₹ 10 lakh on infrastructure and other things, and the remaining ₹ 5 lakh she deposited in the Savings Account of a bank. One of her friends was a bank employee. She advised Ruksar that instead of keeping ₹ 5 lakh in the Savings Account, She should keep them in a Fixed Deposit Account. But Ruksar replied that she would need money any time and so she could not keep her money in a Fixed Deposit Account. Then her friend told her that she should deposit her money in such a bank account which would serve the purpose of both, the Savings Account and the Fixed Deposit Account. From this account she could withdraw money as and when needed and a definite amount would continue to get automatically transferred to the Fixed Deposit. Ruksar opened the account with her bank.

41. Identify the type of Bank Account which Ruksar's friend advised her to open in the bank.

a) Recurring Deposit Account

b) Current Deposit Account

c) Multiple Option Deposit Account

d) Fixed Deposit Account

42. Overdraft facility is available only on:

a) Recurring deposits

b) Saving account deposits

c) Current account deposits

d) Fixed deposits

43. It is a type of saving bank account in which excess of a particular limit gets automatically transferred to fixed deposit account.

a) Recurring deposits

b) Multiple option deposit account

c) Current deposits account

d) Saving deposit account

44. The banking services provided through internet is called-

a) Wide banking

b) E-banking

c) C-banking

d) Exchange banking

45. The rate of interest on Fixed Account deposits is _____ when compared with the Savings account deposits.

a) higher

b) Reduce

c) similar

d) lower

Section C

Question No. 46 to 51 are based on the given text. Read the text carefully and answer the questions:

[6]

Sujeet is the owner of a crackers manufacturing factory. He has entered into a joint venture with a private company Crackers Ltd. The terms of their business involves pooling of resources and expertise and also sharing or risk and rewards by the enterprise. He has got his same factory insured against fire from two different insurance companies A and B against a policy of ₹50,000 and ₹1,00,000 respectively. He has not disclosed the fact that he is making crackers

that are not permitted by government in his factory. Also, he has not made any arrangements related to fire safety devices. He is not willing to install such devices because it is a costly affair. The factory catches fire and he incurred a loss of ₹1,20,000. Sujeet does not do anything to stop fire. He knows that both the insurers have to share the loss in proportion of the amount insured by them so he makes relevant claims from both the insurance companies. But the insurance companies rejected his claim.

46. Which type of insurance is taken by Sujeet?

- a) Reinsurance
- b) Term insurance
- c) Double Insurance
- d) Assurance

47. How many claims can Sujeet get in total from both the insurance companies?

- a) ₹1,00,000
- b) Nil
- c) ₹1,20,000
- d) ₹1,50,000

48. **Also, he has not made any arrangements related to fire safety devices.** Which principle of insurance is violated here?

- a) Mitigation
- b) Proximate Cause
- c) Subrogation
- d) Indemnity

49. He has not disclosed the fact that he is making crackers that are not permitted by the government in his factory. Which principle of insurance is violated here?

- a) Utmost Good Faith
- b) Subrogation
- c) Insurable Interest
- d) Mitigation

50. **He knows that both the insurers have to share the loss in the proportion of the amount insured by them.** Which principle of insurance is highlighted here?

- a) Principle of Subrogation
- b) Principle of Insurable Interest
- c) Principle of Indemnity
- d) Principle of Contribution

51. How much claim Surjeet must have got from A and B if he has not violated the fundamental principles of Insurance?

- a) ₹60,000; ₹60,000
- b) ₹40,000; ₹80,000
- c) ₹50,000; ₹1,50,000
- d) ₹50,000; ₹70,000

Question No. 52 to 57 are based on the given text. Read the text carefully and answer the questions:

[6]

Mr. Amrit, the owner of Amrit Iron Industry does the wholesale trade of wires. Some of the wires are made in his factory itself and some others, he purchases from other manufacturers. Every day, he has to make payments to several other traders. He wants that as soon as he deposits money in his bank it should be credited to the account of the receiver without any delay. On enquiring from the bank, he learnt that through system X, there are two systems available A and B for transferring money from one bank to another. Through A, he need to transfer a minimum of ₹2 lakh. But, there is no such minimum limit in case of B. He need to transfer ₹3 lakh currently, therefore chooses A. His money got transferred within seconds and he was happy with the facilities provided by the bank.

52. Identify system X.

- a) E-Commerce
- b) Teleshopping
- c) E-Banking
- d) Digitalisation

53. Through A, he needs to transfer a minimum of 2 lakh rupees. Identify A.

- a) UPI
- b) RTGS
- c) E-wallet
- d) NEFT

54. But, there is no such minimum limit in the case of B. Identify B.

- a) RTGS
- b) NEFT
- c) USSD
- d) KYC

55. B processes the transactions in _____.

- a) Real-time
- b) 7 days
- c) half-hourly batches
- d) 24 hours

56. RTGS stands for:

- a) Ready To Go Service
- b) Real Traffic Getting Station
- c) Real-Time Gross Service
- d) Real-Time Gross Settlement

57. Which advantage of the concept discussed is highlighted in the above para?

- a) Cost-Effective
- b) Privacy
- c) Discounts
- d) Faster Service

Question No. 58 to 63 are based on the given text. Read the text carefully and answer the questions:

[6]

This is a plastic card with an embedded microchip that can be for a variety of purposes. They are loaded with data, provide tamper-proof storage of user and account identity. The transactions carried out through these cards are highly secure as they require PIN/OTP/biometric data for authentication.

One of these cards relays a message to the cardholder's bank to withdraw funds from the cardholder's designated bank account and thereby widely used for electronic payments. You can't withdraw more than the amount present in your account with this card. Another card similar to it provides your overdraft facility to a certain limit. Apart from these, these plastic cards are also used in transportation. This is a virtual wallet on which you can load fare thereby facilitates you with seamless travel. Due to the ease of transactions they provide, worldwide people are now using these cards.

58. The whole case study is revolving around which card?

- a) Smart Card
- b) Credit Card
- c) ATM Card
- d) Debit Card

59. **You can't withdraw more than the amount present in your account with this card.** Name the plastic card which is discussed here.

- a) Credit Card
- b) Health Card
- c) Debit Card
- d) Aadhar Card

60. **Another card similar to it provides your overdraft facility to a certain limit.** Which card are we talking about?

- a) Jan Dhan Card
- b) Debit Card
- c) Metro Card
- d) Credit Card

61. **This is a virtual wallet on which you can load fare thereby facilitates you with seamless travel.** Which card is this?

- a) Debit Card
- b) Metro Card
- c) ATM Card
- d) PAN Card

62. Which of the following advantages of plastic cards has been highlighted in the first para?

- a) Adaptability
- b) Convenience
- c) Cost Reduction
- d) Security

63. Which of the following advantages of plastic cards has been highlighted in the second para?

- a) Cost Reduction
- b) Adaptability
- c) Security
- d) Convenience

Question No. 64 to 69 are based on the given text. Read the text carefully and answer the questions:

[6]

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 before the expiry of a certain period of time.

64. Identify the type of bank account being used by Suresh.

- a) Current Account
- b) Savings Account
- c) Recurring deposit
- d) MODA

65. Which of the following account was opened by Suresh's mother?

- a) Savings Account
- b) MODA
- c) Fixed Deposit Account
- d) Current Account

66. Identify the type of account opened by Mahesh.

- a) Savings Account
- b) Current Account
- c) Fixed Deposit Account
- d) Recurring Deposit Account

67. Which account was opened by Kavita?

- a) Current Account
- b) Savings account
- c) Recurring deposit Account
- d) Fixed Deposit Account

68. Who will get the highest rate of interest on his/her deposits?

- a) Mahesh
- b) Suresh
- c) Kavita
- d) Suresh's mother

69. Who will get the overdraft facility provided by banks?

- a) Suresh
- b) Suresh's mother
- c) Kavita
- d) Mahesh

Question No. 70 to 75 are based on the given text. Read the text carefully and answer the questions:

[6]

Manish, Rahul and Madhav live in the same locality. They used to meet and discuss their ideas. After discussing about the recent fire breakout in their area, they decided to take fire insurance for their house or work area.

Manish gets his house insured against fire for ₹1 lakh and during the policy period, his house gets damaged due to fire

and the actual loss amounts to ₹2.5 lakh. Insurance company acquired the burnt material and approved his claim.

Rahul gets his godown insured against fire for ₹1 lakh but does not take enough precautions to minimize the chances of fire like installing fire extinguishers in the factory. During the policy, a fire take place in his godown and he does not take any preventive steps like throwing water and calling the employees from the fire fighting department to control the fire. He suffered a loss of ₹1,20,000.

Madhav took a fire insurance policy of ₹20 lakh for his factory at the an annual payment of ₹24,000. In order to reduce the annual premium, he did not disclose that highly explosive chemicals are being manufactured in his factory. Due to a fire, his factory gets severely damaged. The insurance company refused to make payment for the claim as it become aware about the highly explosive chemicals.

70. How much can Manish claim from the insurance company?

- a) 2.5 Lakhs
- b) 1 Lakh
- c) 2 Lakhs
- d) None of the above

71. How much compensation can Rahul get from the insurance company?

- a) ₹2,00,000
- b) ₹1,20,000
- c) ₹1,00,000
- d) Nil

72. Which principle is violated in case of Rahul?

- a) Mitigation
- b) Insurable Interest
- c) Utmost Good Faith
- d) Indemnity

73. How much amount is the insurance company liable to pay to Madhav if he files a case against it?

- a) 24,000
- b) Nil
- c) Insufficient information
- d) 20 lakh

74. Which principle of Insurance is violated by Madhav?

- a) Utmost Good Faith
- b) Insurable interest
- c) Subrogation
- d) Proximate Cause

75. **The insurance company acquired the burnt material and approved his claim.** Which principle of insurance is highlighted in the given statement.

- a) Mitigation
- b) Indemnity
- c) Proximate Cause
- d) Subrogation