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Roll No.

BBA-211

G. E. (SECOND SEMESTER)

MID SEMESTER

EXAMINATION, 2021-22

ECONOMICS FOR LIFE-II

Time : 1½ Hours

Maximum Marks : 50

Note : (i) All questions are compulsory.

(ii) Each question carries 2 marks.

1. A kind of insurance which provides for indemnity for loss against health such as loss of time and medical expenses due to sickness is called _____.

- (a) Fidelity insurance
- (b) Crop insurance
- (c) Health insurance
- (d) Fire insurance

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2. The concept of insurance is _____.
- (a) to make money out of death.
 - (b) to earn interest.
 - (c) to earn a status.
 - (d) to share losses by many.
3. The company doing the insurance business is called _____.
- (a) Mutual funds
 - (b) Non-Banking firm
 - (c) Banking company
 - (d) An insurance company
4. The premium is lowest for _____.
- (a) money back policy
 - (b) term insurance
 - (c) whole life policy
 - (d) endowment policy
5. Claim is processed on the basis of _____.
- (a) claim form and agent's opinion

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- (b) legal opinion
- (c) claim form, survey report etc., other documents and any evidence secured by the insurer.
- (d) Survey report
6. Your _____ is/are the value of what you own minus the value of what you own.
- (a) net assets
 - (b) budget
 - (c) net liabilities
 - (d) net worth
7. The _____ specifies the financial decisions that result from your personal financial planning.
- (a) personal financial plan
 - (b) personal budget
 - (c) personal finance objective
 - (d) None of the above

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8. A(n) _____ represents what you give up as a result of making an alternative decision.

(a) purchase price

(b) financing cost

(c) opportunity cost

(d) liquidity need

9. What is the primary goal of financial management ?

(a) To minimize the risk

(b) To maximize the return

(c) To maximize the owner's wealth

(d) To raise profit

10. The financial plan of a person in a different financial position than yourself would be :

(a) The same as your financial plan.

(b) Different from your financial plan.

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(c) Different from or the same as your financial plan, depending on the person's financial goals

(d) None of the above

11. Time value of money indicates that :

(a) A unit of money obtained today is worth more than a unit of money obtained in future.

(b) A limit of money obtained today is worth less than a unit of money obtained in future.

(c) There is no difference in the value of money obtained today and tomorrow.

(d) None of the above

12. Which of the following is true about financial statements ?

(i) Financial statement gives a summary of accounts.

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- (ii) Financial statements can be stated as recorded facts.
- (a) Only (i)
 - (b) Only (ii)
 - (c) Both (i) and (ii)
 - (d) None of the above
13. Which among the following is the policy that offers both the option of investment as well as Insurance ?
- (a) Unit Linked Insurance Plan
 - (b) Health Insurance
 - (c) Term Insurance
 - (d) None of the above
14. The lock in period in Unit Linked Insurance Plan is :
- (a) 2 yrs.
 - (b) 3 yrs.
 - (c) 4 yrs.
 - (d) 5 yrs.

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15. Family floater cover is the component of which among the following Insurance policy ?
- (a) Travel Insurance
 - (b) Health Insurance
 - (c) Motor Insurance
 - (d) None of the above
16. Which of the following is the only public sector company in the field of life insurance ?
- (a) General Insurance Company
 - (b) New India Assurance Company
 - (c) Oriental Insurance Company
 - (d) Life Insurance Corporation of India
17. In Insurance policies we always find a date which is "Date of Maturity". What does it mean ?
- (a) This is the date on which the policy was sold to the customer/person insured.

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- (b) This is the date on which the policyholder will have to submit his/her claim seeking the amount of the policy. Otherwise the company will not make any payment to him/her.
- (c) This is the date on which the contract between the person and insurance company will come to an end.
- (d) None of the above
18. Which one of the following does not belong to the main products of life insurance ?
- (a) Endowment
- (b) Personal accident insurance
- (c) Term
- (d) Whole life
19. If an organization wishes to venture into Insurance Business it has to obtain a licence first from which of the following ?
- (a) Indian Banks Association (IBA)

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- (b) Security and Exchange Board of India (SEBI)
- (c) Tariff Advisory Committee (TAC)
- (d) Insurance Regulatory and Development Authority of India (IRDAI)
20. Motor insurance provides insurance cover to _____.
- (a) Commercial
- (b) Motor cycles
- (c) Private
- (d) All of the above
21. Someone who loans money is called :
- (a) Lender
- (b) Borrower
- (c) Investee
- (d) Investor

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22. What is true about personal financial planning ?

- (a) Personal financial planning is the process of creating and achieving financial goals.
- (b) Our financial decisions decrease once we reach adulthood.
- (c) A family's resources are unlimited.
- (d) There are two means for achieving financial goals—you either need to increase your spending or reduce savings.

23. Insurance can help you to protect against :

- (a) Unexpected accidents
- (b) Illegal consent
- (c) Both (a) and (b)
- (d) None of the above

24. The punch line of the advertisement of which of the following organization is "Jindagi ke Sath bhi Jindagi ke bad bhi" ?

- (a) New India Assurance Company

(b) General Insurance Corporation

(c) ICICI Prudential

(d) Life Insurance Corporation of India

25. The word 'Assurance' is used for :

(a) Life Insurance

(b) Fire Insurance

(c) Marine Insurance

(d) Medical Insurance