



MORE QUESTIONS SOLVED

I. Multiple Choice Questions

Question 1. Which of the following is an example of E-banking?

- (a) EFT
- (b) Online banking
- (c) ATM
- (d) All of the above

Question 2. Who can get an overdraft from a bank?

- (a) A Current Account Holder
- (b) A Saving Account Holder
- (c) A Fixed Deposit Account Holder
- (d) A Recurring Deposit Account Holder

Question 3. Give full form of ATM.

- (a) Automatic Tele Money
- (b) Any Time Money
- (c) Automatic Teller Machine
- (d) Automatic Transfer Money

Question 4. In which type of insurance, interest must exist only at the time of insurance?

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

Question 5. Which of the following companies offer DTH services in our country?

- (a) Reliance
- (b) Idea
- (c) Tata sky
- (d) All of the above

Question 6. Name the type of banking under which ATM, credit card and EFT facilities are available.

- (a) Internet Banking
- (b) E-banking
- (c) Modern Banking
- (d) Online Banking

Question 7. VSAT stands for:

- (a) Very Small Aperture Terminal
- (b) Vidyut Supply and Transport
- (c) Very Small Application Terminal
- (d) Video Screening Aperture Terminal

Question 8. Name the controlling authority of telecom services in India,

- (a) TRAI
- (b) SEBI
- (c) RBI
- (d) IRDA

Question 9. In which of the insurance policy loss cannot be measured?

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

Question 10. To which insurance, principle of indemnity is not

applicable?

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

Question 11. Speed post in India connects major countries of the world.

- (a) 120
- (b) 140
- (c) 97
- (d) 82

Question 12. Sports insurance is not available for:

- (a) Professional Sportsmen
- (b) Non-professional Sportsmen
- (c) Rural Area Sportsmen
- (d) Urban Area Sportsmen

Question 13. FCI, STC, CWC are examples of:

- (a) Bonded Warehouses
- (b) Government Warehouses
- (c) Private Warehouses
- (d) Cooperative Warehouses

Question 14. It is the duty of the insured to make an effort for minimization of loss. It is the principle of:

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

Question 15. Insurer must have some pecuniary interest in the subject matter of interest. It is the principle of:

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

Answers:

1. (d)
2. (a)
3. (c)
4. (a)
5. (d)
6. (b)
7. (a)
8. (a)
9. (a)
10. (a)
11. (c)
12. (a)
13. (b)
14. (c)
15. (d)

II. Short Answer Type Questions

Question 1. What is the difference between goods and services?

Answer:

Basis	Goods	Services
Meaning	Goods is a physical product which can be delivered to a buyer and involves the ownership from seller to customer.	Services are those separately identifiable, essentially intangible activities which provide satisfaction of wants, and are not necessarily linked to the sale of a product or another service.
Nature	A physical object.	An activity or process.
Intangibility	It is tangible like books.	It is intangible. For example; teaching by a teacher.
Inconsistency	Homogeneous.	Heterogeneous.
Inseparability	It can be separated from its owner.	It can't be separated from its owner.
Inventory	It has inventory.	It has no inventory.
Involvement	Participation of customers is not there in production. For example, manufacturing a car.	Participation of customers is there. For example, transportation is not possible unless the person who has to go is involved.

Question 2. Explain the functions of e-banking.

Answer: E-banking means banking transactions carried out with the help of computer systems (i.e., banking over the internet).

1. Electronic Fund Transfer (EFT): Under this system, a bank transfers wages and salaries directly from the company's account to the account of employees of the company.
2. Automatic Teller Machine (ATM): It refers to an electronic terminal that allows people with plastic card to perform simple banking transactions like withdrawal of cash 24 x 7 without any help of human teller.
3. Debit Card: It refers to a plastic card that allows the bank to take money from the customer's account and transfer it to a seller's account.
4. Credit Card: It refers to a plastic card that allows the customer to buy now and pay back the loaned amount to bank at a future date.
5. Online Banking: Under this system, when the customer gives instruction on his computer, the bank computer transfers money from customer's account to biller's account.

Question 3. What do you mean by mode of transport? Name different modes of transport.

Answer: Modes Of Transport: Modes of transport can also be called as means of transport or transport mode or transport modality. It is a general term used to specify the different kinds of transport facilities that are used by people to move from one place to the other and also to shift the goods from one place to other. When more than one mode -of transport is used by a person for transportation then it can be described as a multi-model transport. Generally there are four modes of transport that uses different types of vehicle, infrastructure and operation. Each mode of transport has its own advantages and disadvantages. The person will choose their mode of transport based on the cost, capability, routes and speed.

The general modes of transport are as follows:

1. Human powered transport;
2. Animal powered transport;
3. Roadways;
4. Waterways;
5. Railways;
6. Airways;
7. Other modes like pipe line, sewage, cable cars.

Question 4. Write short notes on different types of marine insurance.

Answer: Different types of marine insurance are as follows:

- Cargo Insurance: Cargo insurance caters specifically to the cargo of the ship and also pertains to the belongings of a ship's voyagers.

- **Hull Insurance:** Hull insurance mainly caters to the torso and hull of the vessel along with all the articles and pieces of furniture in the ship. This type of marine insurance is mainly taken out by the owner of the ship in order to avoid any loss to the ship in case of any mishaps occurring.
- **Liability Insurance:** Liability insurance is that type of marine insurance, where compensation is sought to be provided to any liability, occurring on account of a ship crashing or colliding and on account of any other induced attacks.
- **Freight Insurance:** Freight insurance offers and provides protection to merchant vessels' corporations which stand a chance of losing money in the form of freight in case the cargo is lost due to the ship meeting with an accident. This type of marine insurance solves the problem of companies losing money because of a few unprecedented events and accidents occurring.

Question 5. What are different types of warehouses?

Answer: Different types of warehouses are as follows:

1. **Public Warehouse:** It is operated in accordance with the law for the purpose of storing goods for other people at profit. Sometimes a large amount of goods arrives in part when it is not convenient for the importer to take it into his custody. During such periods these goods have to be stored somewhere. Similarly, even in trade they have to be stored between the time they are made and the time they are required for use. A public warehouse provides facilities for storing all such goods. It thus renders many useful services to the trade. It enables smaller sellers to carry regional stocks. This factor is very important in competitive markets.
2. **Private Warehouse:** This type of warehouse belongs to the owner of goods, usually a wholesaler, who stored his goods. This is in order to supply to retailers in future. Goods are produced in large quantities in anticipation of future demand and for the unknown customers. The ultimate wholesaler finds it necessary to purchase goods in advance in large bulk and to store them for future supply.
3. **Bonded Warehouses:** It is one which is licensed to accept imported goods for storage before payment of customs duties. By storing his goods in a bonded warehouse the importer gains some control without paying the duty. The goods in bonded warehouses are under the strict supervision of customs officers and before the owner can interfere with them, previous permission is necessary.
4. **Government Warehouse:** This type of warehouse is mainly located at the important sea ports and in most cases is owned by the Dock Authorities. The general public can also use this group of warehouse on payment of fixed charges. If a customer cannot pay the rent within the specified period or time, then the authority can recover the rent by disposing of the goods.

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