

Holiday Homework class 11th Economics

1. The possibilities of inadequate profits or even losses due to uncertainties are known as _____.

- (a) Business contingencies
- (b) Business risks
- (c) Business ventures
- (d) None of these

Answer: (b) Business risks

2. Business risk is not likely to arise due to _____.

- (a) Changes in government policy
- (b) Good management
- (c) Employee dishonesty
- (d) Power failure

Answer: (b) Good management

3. Name the two broad categories of business activities.

- (a) Trade and Commerce
- (b) Trade and Industry
- (c) Industry and Commerce
- (d) None of these

Answer: (c) Industry and Commerce

4. The industries which provide support services to other industries are known as _____.

- (a) Primary industries
- (b) Secondary industries
- (c) Commercial industries
- (d) Tertiary industries

Answer: (d) Tertiary industries

5. 'Earning of profit is considered to be the subsidiary objective of the business.' The given statement is _____.

- (a) True
- (b) False
- (c) Cannot say
- (d) None

Answer: (b) False

6. The occupation in which people work for others and get remunerated in return is known as _____.

- (a) Business
- (b) Profession
- (c) Employment
- (d) None of these

Answer: (c) Employment

7. Transfer of interest exists in the case of _____.

- (a) Profession
- (b) Employment
- (c) Business
- (d) None of these

Answer: (c) Business

8. Which of the following does not characterise business activity?

- (a) Production of goods and services
- (b) Presence of risk
- (c) Sale or exchange of goods and services
- (d) Salary and wages

Answer: (d) Salary and wages

9. Which of the following is not an example of non-economic activity?

- (a) Patriotism
- (b) Teaching
- (c) Sentiment
- (d) Sympathy

Answer: (b) Teaching

10. Economic activities may be classified into business, _____ and employment.

- (a) Profession
- (b) Occupation
- (c) Vocation
- (d) Work

Answer: (a) Profession

11. Which of the broad categories of industries covers oil refineries and sugar mills?

- (a) Primary
- (b) Secondary

- (c) Tertiary
- (d) None of these

Answer: (b) Secondary

12. Following are the characteristics of business risks. One of them is not correct. Please identify it.

- (a) Loss is the reward for risk-bearing
- (b) Business risks are due to uncertainties
- (c) Risk is an essential component of every business
- (d) Degree of risk depends mainly upon the nature and size of business

Answer: (a) Loss is the reward for risk-bearing

13. Which one of the following may not be a factor behind starting a business?

- (a) Routine workload
- (b) Size of the firm
- (c) Finance
- (d) Location of the business

Answer: (a) Routine workload

14. Commerce includes activities relating to trade and _____ to trade.

- (a) Supporting
- (b) Subsidiaries
- (c) Auxiliaries
- (d) None of these

Answer: (c) Auxiliaries

15. Which of the following cannot be classified as an objective of a business?

- (a) Investment
- (b) Productivity
- (c) Innovation
- (d) Profit earning

Answer: (a) Investment

Ch-2

1. The simplest form of business ownership is a _____.

- (a) Proprietorship
- (b) Partnership
- (c) Corporation

(d) Cooperative

Answer: (a) Proprietorship

2. At least 10 adults, no maximum limit in case of _____.

(a) Cooperative Society

(b) Joint Hindu Family

(c) Partnership

(d) Company

Answer: (a) Cooperative Society

3. The main disadvantage of a general partnership is _____.

(a) The unlimited liability of the partners

(b) Disagreement amongst partners

(c) Shared management

(d) Difficulty of termination

Answer: (a) The unlimited liability of the partners

4. The major advantage of a franchise is _____.

(a) Training and management assistance

(b) Personal ownership

(c) Nationally recognised name

(d) All of the above

Answer: (d) All of the above

5. Profits do not have to be shared. This statement refers to _____.

(a) Company

(b) Sole proprietorship

(c) Joint Hindu family business

(d) Partnership

Answer: (b) Sole proprietorship

6. The form of business organisation that has the largest sales volume is the _____.

(a) Partnership

(b) Corporation

(c) Cooperative

(d) Multinational

Answer: (b) Corporation

7. Which of the following is probably the most important reason for incorporating?

- (a) Limited liability of shareholders
- (b) More money for investment
- (c) Increased flexibility
- (d) Shared management

Answer: (a) Limited liability of shareholders

8. The structure in which there is a separation of ownership and management as per law is called _____.

- (a) Company
- (b) All business organisations
- (c) Partnership
- (d) Sole proprietorship

Answer: (a) Company

9. Provision of residential accommodation to the members at reasonable rates is the objective of _____.

- (a) Consumers cooperative
- (b) Credit cooperative
- (c) Housing cooperative
- (d) Producers cooperative

Answer: (c) Housing cooperative

10. In a cooperative society, the principle followed is _____.

- (a) One share, one vote
- (b) One man, one vote
- (c) No vote
- (d) Multiple votes

Answer: (b) One man, one vote

11. Which of the following is an advantage of a sole proprietorship?

- (a) Ease of starting a business
- (b) Being your own boss
- (c) Pride of ownership
- (d) All of the above

Answer: (d) All of the above

12. In case of _____, registration is compulsory.

- (a) Sole Proprietorship

- (b) Partnership
- (c) Company
- (d) None of these

Answer: (c) Company

13. A partner whose association with the firm is unknown to the general public is called _____.

- (a) Active partner
- (b) Sleeping partner
- (c) Nominal partner
- (d) Secret partner

Answer: (d) Secret partner

14. The Karta in the Joint Hindu family business has _____.

- (a) No liability for debts
- (b) Unlimited liability
- (c) Joint liability
- (d) Limited liability

Answer: (b) Unlimited liability

15. A partner who is not actually involved in the partnership but lends his name for public relations purposes is a _____.

- (a) Silent partner
- (b) General partner
- (c) Nominal partner
- (d) Dominant partner

Answer: (c) Nominal partner