



INDIAN SCHOOL AL WADI AL KABIR

Class: XII	Department: Commerce
Worksheet: 2	Topic: BUSINESS ENVIRONMENT (MCQs)

MULTIPLE CHOICE QUESTIONS :

- Business environment is the sum total of all the factors and forces.....to a business.
(a) Internal (b) Specific (c) External (d) All of these
- Investors, customers, competitors and suppliers come under.....forces.
(a) General (b) Specific (c) General and Specific (d) None of the above
- Specific attitudes that elected government representatives hold towards business is called...
..... environment.
(a) Legal (b) Social (c) Technological (d) Political
- Which of the following best indicates the importance of business environment?
(a) Identification (b) Improvement in performance (c) Coping with rapid changes (d) All of the above
- “There is a great demand for reservation in jobs for economically weaker sections of the society.” Identify the type of dimension of business environment mentioned.
(a) Technological environment (b) Political environment (c) Legal environment (d) Social environment
- WhatsApp was the first application for mobile chat. Afterwards, many other applications came but still whatsapp is No.1 in mobile chat. Which importance of Business Environment is highlighted here.
(a) Helps in tapping resources (b) Helps in policy making (c) Identifying threat and getting warning signal (d) Helps to identify opportunities and getting first mover advantages
- The government of India proposed to encourage e-transactions by encouraging the use of plastic money(through debit, credit and gift cards) or net banking by allowing deductions in usage charges, fees and income tax exemptions. Which component of business environment does it represent?
(a) Economic environment (b) Political environment (c) Legal environment (d) Social environment

8. The court issued the order that for vehicles to be smokeless was most essential and that any one violating this order shall have to pay a heavy fine. Identify the dimension of Business environment?

(a) Economic environment (b) Political environment (c) Legal environment (d) Social environment

9. Which of the following is an example of social environment?

(a) Money supply in the economy (b) Consumer Protection Act (c) The Constitution of the country (d) Composition of family

10. Match the following

Column I

A. Stock Market indicates
B. Customs and traditions
C. New techniques of operating business
D. General stability and peace in the country

Column II

(i) Political environment
(ii) Social environment
(iii) Technological environment
(iv) Economic environment

Find the correct option.

- (a) (iv) (iii) (i) (ii)
- (b) (ii) (iii) (iv) (i)
- (c) (iii) (iv) (ii) (i)
- (d) (iv) (ii) (iii) (i)

ASSERTION & REASONING

- (a) Both Assertion (A) and Reason (R) is the correct explanation of Assertion (A)
- (b) Both Assertion (A) and Reason (R) are true but reason (R) is not the correct explanation of Assertion (A)
- (c) Assertion (A) is true but Reason (R) is false
- (d) Assertion (A) is false but Reason (R) is true

There are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the appropriate option from the options given below

11. Assertion (A) Entry of new firms in the market may make an enterprise think afresh about how to deal with the situations
Reason (R) Business environment assist in planning and policy formulation.

12. Assertion (A) Demand for sarees may be fairly high in India whereas it may be almost non existent in America.
Reason (R) Business environment consists of numerous inter-related and dynamic conditions of forces which arise from different sources.

13. Assertion (A) Turbulent market conditions, less brand loyalty, Kodivision and subdivision of market are just a few of the images to describe business environment.

Reason (R) Business environment is getting dynamic where changes are taking place at a slow pace.

14.Assertion (A) Manufacturers have now flexible manufacturing systems.

Reason (R) Agricultural and industrial production trends are the economic dimensions of the environment which affect the business environment.

15.Assertion (A) Reservation of jobs for backward classes as per the constitution of India affects the business environment.

Reason (R) Various elements of legal dimensions affect the business environment.