



INDIAN SCHOOL AL WADI AL KABIR

Class: XI	Department: Commerce
WORKSHEET: 2	Topic: Nature and Purpose of Business

Q1. Identify the activity which is not an auxiliary to trade.

- (a) Banking
- (b) Warehousing
- (c) Insurance
- (d) Mining

Q2. Industries like sugar mills or oil refineries are put under which category-

- (a) Primary
- (b) Secondary
- (c) Tertiary
- (d) None of the above

Q3. Which of the following is not a characteristic of business?

- (a) Production
- (b) Exchange or sale
- (c) Wages or salaries
- (d) Risk element

Q4. Which of the following is not a business activity?

- (a) Production of goods
- (b) Work in a factory for wages
- (c) Exchange of goods
- (d) Transportation

Q5. Which of the following is not an economic activity?

- (a) Production
- (b) Trading in goods
- (c) Professional
- (d) Social service

Q6. Mechanical failures, political disturbances and other unforeseen events are-

- (a) Natural causes
- (b) Economic causes
- (c) Human causes
- (d) Other causes

Q7. The production of goods takes place in particular locations but they are used at different places.

So, the obstacle of place is removed by-

- (a) Banking
- (b) Advertising
- (c) Insurance
- (d) Transport

Q8. The process of exchanging ideas, and information by speaking, writing, etc. is termed as

- (a) Sender
- (b) Medium
- (c) Communication
- (d) None of these

Q9. _____ was particularly valued in the Roman Empire and was known as 'Black Gold'.

- a) Mustard
- b) Pepper
- c) Petroleum
- d) None of the above

Q10. _____ merchants handled business in the northern region

- a) Punjabi
- b) Chatt
- c) Mahajan
- d) None of the above

Q11. _____ is were important traders from the South.

- a) Chatt
- b) Mahajan
- c) Punjabi
- d) None of the above

Q12. It was an important exporting centre for wool and for the import of horses.

- a) Broach
- b) Indraprastha
- c) Peshawar
- d) Taxila

Q13. It was the commercial junction on the royal road where most routes leading to the east, west, south and north converged.

- a) Broach
- b) Indraprastha
- c) Peshawar
- d) Taxila

Q14. It was the greatest seat of commerce in Western India. It was situated on the banks of river Narmada and was linked with all important marts by roadways.

- a) Broach
- b) Indraprastha
- c) Peshawar
- d) Taxila

Q15. Which auxiliary to trade bridges the time gap between production and consumption?

- (a) Advertising
- (b) Banking
- (c) Insurance
- (d) Warehousing

Q16. The amount of loss or damage and compensation for injury can be recovered by using which auxiliary to trade

- (a) Advertising
- (b) Premium
- (c) Insurance
- (d) Policy

Q17. It removes the hindrance of information.

- a) Insurance
- b) Advertising
- c) Warehousing
- d) Communication

Q18. It refers to the position of an enterprise in relation to its competitors- Identify the objective of business.

- a) Market standing
- b) Innovation
- c) Productivity
- d) Social responsibility

Q19. It is ascertained by comparing the value of output with the value of inputs. It is used as a measure of efficiency.

- a) Market standing
- b) Innovation
- c) Productivity
- d) Social responsibility

Q20. It refers to the obligation of business firms to contribute resources for solving social problems and work in a socially desirable manner

- a) Market standing
- b) Innovation
- c) Productivity
- d) Social responsibility

Q21. The industry concerned with using the material which have already been extracted at the primary stage is-

- (a) Primary
- (b) Tertiary
- (c) secondary
- (d) None of these

Q22. Mr X started business of buying and selling of refrigerators. The term for this type of business activity is-

- (a) Commerce
- (b) Trade
- (c) Selling
- (d) Transaction

Q23. Recognise the assembling industry out of these-

- (a) Poultry, cattle farms
- (b) Cement, brick
- (c) Sugar, cotton
- (d) Television, computer

Q24. In which form of economic activity code of conduct is prescribed-

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

Q25. The best example of analytical industry is-

- (a) Cement
- (b) Computer
- (c) Sugar mill
- (d) Oil refinery

Q26. Support services to industrial \business activities are clubbed under?

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

Q27. Which of the following is not a cause of business risk?

- (a) Breakdown of machinery
- (b) Efficient management
- (c) Riot
- (d) Changing government policy

Q28. Why should a business earn profit?

- (a) To provide return to investors.
- (b) To provide funds for future growth.
- (c) To increase the reputation of business.
- (d) All the above

Q29. Which of the following is not a true statement?

- (a) The scope of commerce is narrower than business.
- (b) Commerce includes trade and auxiliaries to trade.
- (c) Foreign trade is purchase and sale by the traders of the same country.
- (d) Traders serve as a link between producers and consumers.

Q 30. 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