



## INDIAN SCHOOL AL WADI AL KABIR

Class: XI	Department: Commerce
Worksheet no: 1	Topic: Forms of Business Organisation (MCQs)

Q1. The liability of all the co-partners except the..... is limited to their share in the business, and consequently, their risk is well-defined and precise.

- (a) Karta (b) Partners  
(c) Members (d) Shareholders

Q2..... is a type of business unit where a person is solely responsible for providing the capital.

- (a) Sole proprietorship (b) Joint Hindu family business  
(c) Partnership (d) Cooperative societies

Q3. A partnership is a relation which subsists between persons who have agreed to combine their property, labour or skill in some business and to share the profits therefrom between them.

- (a) True (b) False  
(c) Partly True (d) None of these

Q4. The relation between persons who have agreed to share the profit of the business carried on by all or any one of them acting for all.

- (a) Sole proprietorship (b) Joint Hindu family business  
(c) Partnership (d) Cooperative societies

Q5. A ..... partner is one whose association with the firm is unknown to the general public.

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

Q6. The principle of 'one man one vote' governs the cooperative society.

- (a) True (b) False  
(c) Partly True (d) None of these

Q7. The liability of members of a cooperative society is ..... to the extent of their capital contribution.

- (a) Born (b) Shared  
(c) Unlimited (d) Limited

Q8. The aim is to gain the benefits of large scale farming and increase the productivity.

- (a) Consumer's cooperative societies (b) Producer's cooperative societies  
(c) Marketing cooperative societies (d) Farmer's cooperative societies

Q9. The society aims to eliminate middlemen and improve competitive position of its members by securing a favourable market for the products.

- (a) Consumer's cooperative societies (b) Producer's cooperative societies  
(c) Marketing cooperative societies (d) Farmer's cooperative societies

Q10. Contracts signed after incorporation but before the commencement of business are Provisional Contracts.

- (a) True (b) False
- (c) Partly True (d) None of these

Q11. The law does not recognise the business and owners to be one and the same.

- (a) Perpetual succession, (b) Formation
- (c) Separate legal entity (d) Artificial person

Q12. Members may come and members may go, but the company continues to exist.

- (a) Perpetual succession, (b) Formation
- (c) Separate legal entity (d) Artificial person

Q13. The shareholders do not have the right to be involved in the day-to-day running of the business.

- (a) Risk bearing (b) Common seal
- (c) Liability (d) Control

Q14. The members can be asked to contribute to the loss only to the extent of the unpaid amount of share held by them.

- (a) Risk bearing (b) Common seal
- (c) Liability (d) Control

Q15. ....is the most important document as it defines the objectives of the company.

- (a) Articles of Association (b) Partnership deed
- (c) Memorandum of Association (d) Incorporation certificate

Q16. .... clause contains the name of the company with which the company will be known, which has already been approved by the Registrar of Companies.

- (a) Name Clause (b) Registered Office Clause
- (c) Objects Clause (d) Liability Clause

Q17. ....clause specifies the maximum capital which the company will be authorised to raise through the issue of shares.

- (a) Name Clause (b) Capital Clause
- (c) Objects Clause (d) Liability Clause

Q18. ....defines the rules regarding internal management of a company.

- (a) Articles of Association (b) Partnership deed
- (c) Memorandum of Association (d) Certificate of Incorporation

Q19. The ..... is a conclusive evidence of the regularity of the incorporation of a company.

- (a) Articles of Association (b) Partnership deed
- (c) Memorandum of Association (d) Certificate of Incorporation

Q20. SEBI stands for

- (a) Securities and Exchange Board of India (b) Shares and Exchange Board of India
- (c) Securities and Export Board of India (d) Services Exchange Board of India

Q21. Assertion (A): Sole Trading Concern is treated as a “One Man Show”.

Reason(R): It is owned, controlled, managed and operated by the owner all alone.

- (a) Both Assertion and Reason are correct and the Reason is a correct explanation of the Assertion.
- (b) Both Assertion and Reason are correct but Reason is not a correct explanation of the Assertion.
- (c) The Assertion is correct but the Reason is incorrect.
- (d) Both the Assertion and Reason are incorrect

Q 22. Assertion (A): In partnership firm the liability of all the partners is unlimited.

Reason(R): The partners are individually as well as jointly responsible for paying off business debts.

- (a) Both Assertion and Reason are correct and the Reason is a correct explanation of the Assertion.
- (b) Both Assertion and Reason are correct but Reason is not a correct explanation of the Assertion.
- (c) The Assertion is correct but the Reason is incorrect.
- (d) Both the Assertion and Reason are incorrect