



# **BUDDHA SERIES**

**(Unit Wise Solved Question & Answers)**

**Course – B.Com I- Sem**

**College – Buddha Degree College**

**(DDU Code-859)**

**Department: Commerce**

**Subject: Business Organisation**

**Faculty: Ms. Tarannum Bano**

## **Unit -I**

**1. Business refers to:**

- A) Non-economic activity
- B) Profit-oriented economic activity
- C) Charitable activity
- D) Religious activity

**Answer: B**

**2. Which of the following is a characteristic of business?**

- A) Regularity in dealings
- B) Profit motive
- C) Involves risk
- D) All of the above

**Answer: D**

**3. Business includes:**

- A) Only production
- B) Only distribution
- C) Production and exchange of goods/services
- D) Only services

**Answer: C**

**4. The primary objective of business is:**

- A) Service
- B) Earning profit
- C) Charity
- D) Public welfare

**Answer: B**

**5. Which is the first stage in the development of business?**

- A) Expansion
- B) Idea generation
- C) Promotion
- D) Takeover

**Answer: B**

**6. Business activities are classified into:**

- A) Industry and Commerce
- B) Trade and Commerce
- C) Profit and Non-profit
- D) None of these

**Answer: A**

**7. Which of the following is a part of industry?**

- A) Wholesale trade

- B) Construction
- C) Retail trade
- D) Transport

**Answer: B**

**8. Commerce includes:**

- A) Manufacturing
- B) Production
- C) Exchange and distribution of goods
- D) Extraction

**Answer: C**

**9. Trade is a part of:**

- A) Industry
- B) Commerce
- C) Agriculture
- D) Manufacturing

**Answer: B**

**10. Which of the following is not a business activity?**

- A) Teaching by a salaried teacher
- B) Buying and selling of goods
- C) Manufacturing of toys
- D) Running a retail shop

**Answer: A**

**11. Business organisation means:**

- A) Buying and selling only
- B) Production only
- C) Structuring of business operations
- D) Working alone

**Answer: C**

**12. Which of the following is a feature of business organisation?**

- A) Unity of direction
- B) Coordination
- C) Division of work
- D) All of the above

**Answer: D**

**13. Which is not an objective of business organisation?**

- A) Earning profit
- B) Social service
- C) Creating monopoly
- D) Providing goods and services

**Answer: C**

**14. A good business organisation helps in:**

- A) Wastage of resources
- B) Inefficiency
- C) Better productivity
- D) Confusion

**Answer: C**

**15. Business organisation evolves due to:**

- A) Change in tastes
- B) Industrial revolution
- C) Government rules
- D) All of the above

**Answer: D**

**16. Which of the following influenced the evolution of modern business?**

- A) Technological development
- B) Globalisation
- C) Industrial revolution
- D) All of the above

**Answer: D**

**17. Which era is called the origin of large-scale industry?**

- A) Prehistoric
- B) Agricultural
- C) Industrial
- D) Digital

**Answer: C**

**18. Modern business is characterised by:**

- A) Local operations
- B) Manual work
- C) Use of technology
- D) Barter system

**Answer: C**

**19. Modern businesses are influenced by:**

- A) Cultural values
- B) Economic conditions
- C) Technological innovations
- D) All of the above

**Answer: D**

**20. Which of the following is NOT a feature of modern business?**

- A) Global reach
- B) Use of outdated technology
- C) E-commerce adoption

D) Professional management

**Answer: B**

**21. Which of the following is not an industry?**

A) Manufacturing

B) Construction

C) Transport

D) Trading

**Answer: D**

**22. Profession requires:**

A) License

B) Formal education

C) Code of conduct

D) All of the above

**Answer: D**

**23. Commerce excludes:**

A) Transport

B) Banking

C) Manufacturing

D) Warehousing

**Answer: C**

**24. Profession differs from business because:**

A) It aims at profit only

B) It is inherited

C) It requires specialized knowledge

D) It is unorganized

**Answer: C**

**25. Which is a difference between business and profession?**

A) Business has ethical codes

B) Profession doesn't require any qualification

C) Business doesn't require formal education

D) Business doesn't earn profit

**Answer: C**

## **UNIT II**

**26. Promotion is concerned with:**

A) Production

B) Distribution

C) Establishing a new business

D) Bookkeeping

**Answer: C**

**27. The first step in promotion of business is:**

A) Raising capital

B) Selecting form of business

C) Identifying opportunity

D) Appointing staff

**Answer: C**

**28. Qualities of a successful businessman include:**

A) Dishonesty

B) Risk aversion

C) Decision-making ability

D) Laziness

**Answer: C**

**29. Which of the following is not a factor in setting up new business?**

A) Market demand

B) Availability of capital

C) Location

D) Political alignment

**Answer: D**

**30. Which is not a quality of a good entrepreneur?**

A) Initiative

B) Integrity

C) Inconsistency

D) Innovation

**Answer: C**

**31. Sole proprietorship is also known as:**

A) One-man business

B) Partnership

C) Joint stock

D) Cooperative

**Answer: A**

**32. Which of the following is a feature of sole proprietorship?**

A) Unlimited liability

B) Separate legal entity

C) Complex formation

D) Shared ownership

**Answer: A**

**33. In which form is registration not compulsory?**

A) Partnership

- B) Joint Stock Company
- C) Sole proprietorship
- D) Cooperative society

**Answer: C**

**34. A Joint Stock Company has:**

- A) Unlimited liability
- B) No separate legal status
- C) Perpetual succession
- D) No shareholders

**Answer: C**

**35. A Public company must have minimum how many members?**

- A) 1
- B) 2
- C) 3
- D) 7

**Answer: D**

**36. A Private Company must have minimum how many members?**

- A) 2
- B) 3
- C) 4
- D) 5

**Answer: A**

**37. Which company can invite public to subscribe to its shares?**

- A) Private
- B) Public
- C) OPC
- D) Partnership

**Answer: B**

**38. One Person Company (OPC) can be formed by:**

- A) 1 person
- B) 2 persons
- C) 3 persons
- D) Unlimited persons

**Answer: A**

**39. One Person Company was introduced under which Companies Act?**

- A) 1956
- B) 1991
- C) 2000
- D) 2013

**Answer: D**

40. **A cooperative society works on principle of:**

- A) Profit maximization
- B) Self-interest
- C) Mutual help
- D) Monopoly

**Answer: C**

41. **Which form has democratic management?**

- A) Sole proprietorship
- B) Cooperative
- C) OPC
- D) Public company

**Answer: B**

42. **In Joint Stock Company, liability of shareholders is:**

- A) Unlimited
- B) Limited
- C) Joint and several
- D) No liability

**Answer: B**

43. **Shares of a public company are traded on:**

- A) Local market
- B) Commodity exchange
- C) Stock exchange
- D) Black market

**Answer: C**

44. **Which of the following is not a feature of OPC?**

- A) One shareholder
- B) Separate legal entity
- C) Multiple partners
- D) Limited liability

**Answer: C**

45. **Minimum number of members required in a cooperative society is:**

- A) 2
- B) 5
- C) 7
- D) 10

**Answer: C**

46. **A merit of sole proprietorship is:**

- A) Continuity
- B) Easy formation
- C) Limited liability



D) Large resources

**Answer: B**

**47. A demerit of partnership is:**

A) Pooling of capital

B) Limited liability

C) Lack of secrecy

D) Personal supervision

**Answer: C**

**48. A merit of public company is:**

A) Unlimited liability

B) Lack of legal recognition

C) Easy capital collection

D) Secrecy

**Answer: C**

**49. A cooperative society faces problem of:**

A) Democratic management

B) Self-interest

C) Inefficient management

D) Limited liability

**Answer: C**

**50. Which is the most suitable form for large-scale business?**

A) Sole proprietorship

B) Partnership

C) Cooperative

D) Joint Stock Company

**Answer: D**