

**Guess Paper – 2014**

**Class – XII**

**Subject – Business Studies(FORMS OF BUSINESS ORGANISATION)**

**Q.1 If ranveer upadhyay is seeking to start a business or want to extend an existing business, than he has to go for which type of business.....**

**A forms**

**B category**

**C classification**

**D none**

**Explanation-** which business is suitable for an entrepreneur depends upon forms of Business organisation, there are basically five forms of businesses found in modern scenario. Namely, sole proprietorship, joint hindu family business, partnership, cooperative societies and joint stock company

**Right answer:** option A

**Q.2 from the below ones pick the correct form of business units**

**I sole proprietorship and joint hindu family business**

**II partnership and salesman ship**

**III partnership and accounting**

**IV partnership and cooperative societies**

**A both I and II**

**B both I and IV**

C only II

D only III

**Explanation-** there are basically five types of forms available to commence a business unit namely, sole proprietor, joint hindu family business, partnership, cooperative societies and joint stock company, salemanship and accounting are just the department associated with any organisation or business firm

**Right answer:** option B

**Q.3 in the term “sole proprietor” what the term “sole” refers to**

A only

B simple

C sober

D sincere

**Explanation-** the word “sole” implies to “only” that means if and only one person is the whole sole of the whole business, he would take care of all the activities related or associated to business

**Right answer:** option A

**Q.4 define sole proprietor**

A one who is the only owner of a business

B it's a form of organisation where business is owned and carried on by the members of Hindu Undivided Family

**C** it is a relation between persons who have agreed to share profit of business carried on by all or any of them acting for all

**D** none of the above

**Explanation-** sole proprietor is the one who is the only owner of a business

**Right answer:** option A

**Q.5 aajenkay deals in the business of grocey store commenced by himself three years ago, with which form of business aajenkay is right now associated with**

**A** joint stock company

**B** partnership

**C** sole proprietor

**D** all of the above

**Explanation-** aajenkay is pursuing as sole proprietor, because only in sole proprietor firm there is only single owner possess

**Right answer:** option C

**Q.6 who has the prime control in a sole proprietorship form of business**

**A** owner of firm

**B** partners

**C** directors

**D** none

**Explanation-** owner of the firm is the prime owner who take over the control on firm

**Right answer:** option A

**Q.7 on 1 may, 1889 Asa Candler published a full- page advertisement in The Atlanta Journal, procaliming his wholesale and retail drug business as “..... of Coca-Cola, Delicious, Refreshing, Exhilarating, Invigorating”**

- A sole proprietors
- B joint stock holders
- C an intiative as partners
- D none of the above

**Explanation-** when coca-cola was bought by Asa candler from Dr. John Stith pemberton he published his business unit as “The sole proprietors of Coca-Cola.. Delicious, Refreshing, Exhilarating, Invigorating

**Right answer:** option A

**Q.8 Is it true that life of a sole business firm is limited**

- A True
- B False
- C might be possible
- D none

**Explanation-** In notion of law, owner of a business and the business are considered as the same and one, if the owner dies or get bankrupt, than it will surely affects the business life cycle and gets to a wind up

**Right answer:** option A

**Q.9 Nakshatra is running a flower Boutique and seeking to expand it for capital inflow, she decides to share her business with her Ex- collegemate samiksha in a agreed profit sharing ratio of 60:40, what form of business will become after Nakshatra and samiksha both will run the Boutique in profit sharing ratio**

A sole proprietor

B partenership

C cooperative socities

D none

**Explanation-** when a business is commenced in the sharing ratio than it is known as business in partnership

**Right answer:** option B

**Q.10 one major disadvantage that sole proprietorship suffers from is that owner has..... Liability**

A limited

B unlimited

C full liability

D all of the above

**Explanation-** owner has to bear all the liability concern to business, whether they are expenses or losses

**Right answer:** option B

**Q.11 It refers to form of organisation wherein the business is owned and carried on by the members of the..... family**

A hindu undivided

B sole proprieor

C cooperative socities

D none

**Explanation-** HUF is commenced and controlled by members of the family

**Right answer:** option A

**Q.12 the business in HUF is controlled by head of the family who is the eldest member known as.....**

A sole owner

B partner

C Karta

D all of the above

**Explanation-** karta is the head in any hindu undivided family and he has the wholesome right to control the business

**Right answer:** option C

**Q.13 In which part of india does Dayabhaga system prevails**

A west Bengal

B maharashtra

C all over india

D none

**Explanation-** Dayabhaga prevails in West bengal and it means to allow both male and female members of the family to be co-parcners

**Right answer:** option A

**Q.14 .....system prevails all over india except west bengal and allows only male members to be co-parcners in the business**

A Dayabhaga

B Mitakashara

C karta

D none

**Explanation-** mitakshara system is the one that allows only male members to be the co-parcners in the business

**Right answer:** option B

**Q.15 what do you referred to NCMP**

A National cluster management for parliament

B National Common Minimum Programme

C National common managerial programme

D none

**Explanation-** NCMP is a commitment initiated from government gallery towards gender equality, it refers to National Common Minimum Programme

**Right answer:** option B

**Q.16 According to .....the heirs do not acquire property by birth but only hold it as tenants as if a partition has taken place**

A Kerala Joint Family System (Abolition) Act,1975

B Hindu sucession (Amendment) Bill 2004

C Indian Partnership Act,1932

D none

**Explanation-** according to kerala joint family system (Abolition) Act, 1975 male and female members do not acquire property by birth but only hold it as tenants as if a partition has taken place

**Right answer:** option A

**Q.17 what does NCW stands for**

A National Commission for Women

B National Commission for weaker section

C National Council for Women

D none



**Explanation-** NCW stands for National Commission for Women and it has been enacted to bring a social change in society

**Right answer:** option A

**Q.18 In “sole proprietor” what does word proprietor means**

- A owner
- B partner
- C director
- D none

**Explanation-** proprietor refers to “owner”

**Right answer:** option A

**Q.19 In HUF all members have equal ownership right over the property of an ancestor and they are known as.....**

- A co-parceners
- B Karta
- C partner
- D all of the above

**Explanation-** the members who share equal ratio in HUF family are known as co-parceners

**Right answer:** option A

**Q.20 ..... can also be members of the HUF business**

A Minors

B majors

C co-operators

D none

**Explanation-** minors can also be members of the business

**Right answer:** option A

**Q.21**The minimum number of members needed to start a partnership firm is.....

A Three

B Two

C One

D all of the above

**Explanation-** there is a need for atleast two partners for the constitution of partnership on a agreed profit sharing ratio

**Right answer:** option B

**Q.22** The indian partnership act,1932 defines ..... as “the relation between persons who have agreed to share the profit of the business carried on by all or any of them acting for all”

A partnership

B joint co-opeative socities

C sole proprietorship

D none

**Explanation-** above is the definition of partnership according to The Indian Partnership Act, 1932

**Right answer:** option A

**Q.23 an..... Partner is one who contributes capital, participates in management, shares profit and loss, liable to an unlimited extent to creditors of firm**

A active

B Nominal

C secret

D sleeping

**Explanation-** Above definition is about active partner

**Right answer:** option A

**Q.24 what you understand by the term “partner by estoppel”**

A who do not take part in day to day activities of firm

B one Whose association with firm is unknown to general public

C one who gives an impression that he or she is the partner of the firm

D one who contributes capital, participates in management of firm

**Explanation-** a person is considered a partner by estoppel, if through his/her own initiative, conduct or behaviour, he/ she gives an impression to others that he/ she is a partner of the firm. Such partners are held liable for the debts of the firm because in the eyes of the third party they are considered partners, even though they do not contribute capital or take part in its management

**Right answer:** option C

**Q.25 A.....partner is one whose association with firm is unknown to general public**

- A secret
- B sleeping
- C active
- D nominal

**Explanation-** a secret partner is the one who is unknown to general public. In all other aspects he is like the rest of the partners

**Right answer:** option A

**Q.26 A.....partner is one who allows the use of his/her name by a firm, but does not contribute to its capital**

- A nominal
- B estoppel
- C active
- D dormant

**Explanation-** the above definition is comprised for nominal partner, nominal is the one who does not take active part in managing the firm, does not share its profit or losses but is liable for repayments of firm's debts

**Right answer:** option A

**Q.27 which one are the classifications on the basis of duration in case of partnership**

**I partnership at will**

**II particular partnership**

**III general partnership**

**IV limited partnership**

**A both I and II**

**B both II and IV**

**C only I**

**D only III**

**Explanation-** on the basis of duration, partnership can be classified into two forms- (1) partnership at will and (2) particular partnership

**Right answer:** option A

**Q.28 ..... Exists at the will of the partners**

**A particular partnership**

**B partnership at will**

C general partnership

D limited partnership

**Explanation-** it can continue as long as the partners want and is terminated when any partner gives a notice of withdrawal from partnership to the firm

**Right answer:** option B

**Q.29 partnership formed for the accomplishment of a particular project say construction of a building or an activity to be carried on for a specified time period is called.....partnership**

A particular

B will

C general

D limited

**Explanation-** the above partnership defined particular partnership, it dissolves automatically when purpose is fulfilled

**Right answer:** option A

**Q.30 In case of.....partnership, the liability of partners is unlimited and joint**

A general

B limited

C particular

D partnership at will

**Explanation-** general partnership, liability of partners is unlimited and joint

**Right answer:** option A

**Q.31 The written agreement which specifies the terms and conditions that govern the partnership is called the.....**

A partnership deed

B article of association

C memorandum

D none

**Explanation-** partnership deed is the written agreement which specifies the terms and conditions that govern the partnership

**Right answer:** option A

**Q.32 A partnership is a.....association of people who come together for achieving common objectives**

A voluntary

B mandatory

C casual

D none of the above

**Explanation-** partnership is a voluntary association of person

**Right answer:** option A

**Q.33** ....., one of the world's top accountancy firms has been created in 1998 by merger of two companies

**A** price waterhouse coopers

**B** Coca-Cola

**C** Crisil

**D** none

**Explanation-** in 1850, samuel lowell price setup his accounting business in london. In 1865, he has joined in partnernship by william H. Holyland and Edwin Waterhouse

**Right answer:** option A

**Q.34** it is.....for a partnership firm to get registered

**A** optional

**B** mandatory

**C** simple

**D** none of the above

**Explanation-** if a partnership firm gets itself registered it is optional to get registered for it but if it does not get registered than a partner cannot file a suit against firm or partners, firm cannot file a suit against third parties, firm cannot file a case against the partners.

**Right answer:** option A

**Q.35** what does the word “co-operative” signifies in term “co-operative society”



**A** working together and with others for a common purpose

**B** to work in competition of each other

**C** To work in against to each other

**D** none of the above

**Explanation-** co-operative society is a voluntary association of persons, who join together with the motive of welfare of the members

**Right answer:** option A

**Q.36 The co-operative society is compulsorily required to be registered under.....**

**A** The Indian Partnership Act, 1932

**B** The Co-operative Societies Act, 1912

**C** The Hindu Succession Act, 1956

**D** none of the above

**Explanation-** the co-operative society is compulsorily required to be registered under the co-operative societies act,1912

**Right answer:** option B

**Q.37 In.....partnership, the liability of at least one partner is unlimited whereas the rest may have limited liability**

**A** limited

**B** general

C at will

D particular

**Explanation-** it is an obligatory requirement in case of limited partnership

**Right answer:** option A

**Q.38 The ..... Cooperative societies are formed to protect the interests of consumers**

A producer's

B consumer's

C marketing

D farmer's

**Explanation-** the consumer cooperative societies are formed to protect the interests of consumers

**Right answer:** option B

**Q.39 These societies are set up to protect the interest of small producers**

A consumer's

B producer's

C marketing

D farmer's

**Explanation-** the members comprise of producers desirous of procuring inputs for production of goods to meet the demands of consumers

**Right answer:** option B

**Q.40 which societies are established to help small producers in selling their products**

A farmer's

B credit

C marketing

D producer's

**Explanation-** society aims to eliminate middleman and improve competitive position of its members by securing a favorable market for the products

**Right answer:** option C

**Q.41 such societies provide better quality seeds, fertilisers, machinery and other modern techniques for use in cultivation of crops**

A farmer's

B housing

C credit

D none of the above

**Explanation-** farmer's societies provide all such facilities

**Right answer:** option A

**Q.42 The company form of organisation is governed by.....**

- A The Companies Act, 1956
- B The Indian Partnership Act, 1932
- C The Hindu Succession Act,1956
- D none

**Explanation-** a company is an association of persons formed for carrying out business activities and has a legal status independent of its members, it is governed under The companies Act,1956

**Right answer:** option A

**Q.43 BHEL refers to.....**

- A Bharat Heavy Electricals Limited
- B Bharat Haulage Electricals Limited
- C Bharat Haulage Electronics Limited
- D none of the above

**Explanation-** BHEL is the largest engineering and manufacturing enterprise in india in energy related sector and its full name is Bharat Heavy Electricals Limited

**Right answer:** option A

**Q.44 what number of maximum members are required to commence a private company**

- A fifty
- B seventeen

C eight

D ninety

**Explanation-** maximum number of members allowed in commencement of a private company are fifty

**Right answer:** option A

**Q.45 minimum paid up capital required in a public company is.....**

A five lakhs

B one lakhs

C seven lakhs

D ten lakhs

**Explanation-** five lakhs is the minmum capital that is required to open a public company

**Right answer:** option A

**Q.46 There is.....on transfer of share in case of private company**

A restriction

B no restriction

C conditional transfer

D none of the above

**Explanation-** transfer of share of is restricted in private company

**Right answer:** option A

**Q.47 The five core Tata values underpinning the way are:**

....., **understanding, excellence, unity and responsibility**

**A** Integrity

**B** superiority

**C** inferiority

**D** none of the above

**Explanation-** the five core values provided by Tata Group are as follows : integrity, understanding, excellence, unity and responsibility

**Right answer:** option A

**Q.48 .....has been given exclusive rights of manufacturing and distributing four international brands in india, viz., pilot, papermate, parker and waterman**

**A** Luxor Writing Instruments Pvt. Ltd.

**B** Tata Group

**C** BHEL

**D** none of the above

**Explanation-** Luxor Writing Instruments Pvt. Ltd. That has the largest market share of over 20% and a leading manufacturer, exporter of writing instruments from india

**Right answer:** option A

**Q.49 Amul is an example of.....**

**A** co-operative societies

**B** joint stock company

**C** partnership

**D** none

**Explanation-** Amul collects 4,47,000 litres of milk from 2.12 million farmers converts the milk into branded, packaged products and delivers goods worth Rs.6 crore to over 5,00,000 retail outlets across the country

**Right answer:** option A

**Q.50 A.....can be admitted to partnership firm with mutual consent of all other partners**

**A** minor

**B** major

**C** adult

**D** none

**Explanation-** minor is the one who could be treated as the partner in firm

**Right answer:** option A

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