

S.S.R.DEGREE COLLEGE, (AUTONOMOUS)

NIZAMABAD (C.C:5029)

I SEMESTER INTERNAL ASSESSMENT I EXAMINATIONS

QUESTION BANK

BUSINESS ORGANIZATION AND MANAGEMENT

I. MULTIPLE CHOICE QUESTIONS

1. A company cannot come into existence without (a)
a) Issuing prospectus b) Electing directors
c) Certificate of incorporation d) All of the options.
2. A partner whose association with the firm is unknown to the general public is called (c)
a) Active partner b) Nominal partner
c) Secret partner d) Sleeping partner
3. Application for approval of name of a company is to be made to which authority? (a)
a) Registrar of the company b) SEBI
c) Government of India d) State Government
4. In a cooperative society, the principle followed is (a)
a) One man one vote b) Multiple votes by members
c) One share one vote d) No voting rights to members
5. It is a form of business organization which is owned, managed and controlled by an individual who is the recipient of all profits and bearer of all risks. Identify the concept. (a)
a) Sole Proprietorship b) Cooperative Society
c) Joint Hindu family business d) Partnership
6. The board of directors of a joint stock company are elected by (a)
a) Shareholders b) Employees
c) General public d) Government
7. The maximum number of partners allowed in the banking business are (a)
a) Ten b) No limit c) Twenty d) Two.
8. The members of which of the following business organizations do not have limited liability? (a)
a) Sole Proprietorship b) Joint Stock Company
c) Cooperative Societies d) Government Company
9. The partnership deed generally includes the following (d)
a) Name of firm b) Nature of business
c) Location of business d) All of the above
10. Which of the following business enterprises does not have a separate legal entity? (a)
a) Sole Proprietorship b) Partnership
c) Company d) Cooperative Society
11. Which of the following is a specific form of business organization where membership is by birth? (a)
a) Hindu Undivided Family b) Sole Proprietorship
c) Cooperative Societies d) Government Company
12. Which of the following is not a feature of a Joint Stock Company? (d)
a) Artificial person b) Separate legal entity
c) Formation d) Lack of business continuity
13. Which of the following is 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)

- a) Partnership b) Cooperative Society
- c) Joint Hindu family business d) Sole Proprietorship
14. A _____ is a business with two or more owners: (c)
- a) corporation. b) Conglomerate.
- c) partnership. d) public corporation.
15. A partner who is not actually involved in the partnership but lends his name for public relations purposes is a: (c)
- a) silent partner. b) general partner.
- c) nominal partner. d) dominant partner.
16. In case of _____ Registration is compulsory (d)
- a) Sole Proprietorship b) Partnership
- c) None of these d) Company
17. Profits do not have to be shared. This statement refers to (b)
- a) Company b) Sole proprietorship
- c) Joint Hindu family business d) Partnership
18. The board of directors of a joint stock company is elected by (c)
- a) General public b) Government bodies
- c) Shareholders d) Employees
19. The capital of a company is divided into number of parts each one of which are called (a)
- a) Share b) Dividend
- c) Profit d) Interest
20. The Head of the joint Hindu family business is called (c)
- a) Manager b) Proprietor c) Karta d) Director
21. What is the limit of members in case of a Private Company? (d)
- a) 2 b) 7 c) 10 d) 50
22. A Joint Stock Company is registered under the? (c)
- a) Statutory Act b) Chartered Act c) Companies Act d) All of the above
23. A Public Limited Company must have at least (a)
- a) Seven persons b) Ten persons
- c) Twenty Persons d) Six Persons
24. Management is ----- (c)
- a) An Art b) A Science
- c) An Art as well as Science d) None of the above
25. The Last function of Management is----- (b)
- a) Staffing b) Controlling c) Organizing d) Planning
26. The written Agreement among Partners is (d)
- a) Trading deed b) Mutual agreement
- c) Bills of Exchange d) Partnership deed
27. Commerce is related to (c)
- a) Production of Goods b) Providing of Service
- c) Exchange of Goods d) All the above
28. Non-Economic Activities aim at (a)
- a) Social service b) Profit Maximisation
- c) Consumer satisfaction d) All the above
29. The 14 Principles of Management was given by (c)
- a) Peter Drucker b) F.W . Taylor
- c) Henry Fayol d) Alfred marshal
30. Father of Scientific Management (a)
- a) F .W . Taylor b) Peter Drucker
- c) Harold koontz d) Henry Fayol

II. Fill in the blanks

1. Business creates various types of utilities in goods.
2. Commerce includes trade and Aids to trade.
3. Hindrance of risk is removed by Insurance
4. The Partners collectively are called Firm.
5. The Closure of Partnership is called Dissolution.
6. A Minor Partner can be admitted for the benefits of the firms.
7. Business means Exchange of goods and Services for mutual Benefit
8. A Joint stock Company is registered under Indian Companies Act, 1956
9. The minimum number of persons in a Public company is 7.
10. Number of Clauses describing the contents of Memorandum of Association are 6.
11. Management is the Art of Getting things done through others.
12. F.W.Taylor is known as the father of Scientific Management.
13. Planning is the Primary function of Management.
14. Henry Fayol was given 14 Principles of Management.
15. One Boss and One Subordinate is Principle of Command
16. The Written Agreement between partners is Partnership Deed
17. Internal Trade Takes place Inside a Country
18. The Primary aim of Business is To Earn Profit
19. Working Partner is also called Active partner
20. Head of the Hindu Undivided Family is Karta
21. Sole Trader is the Owner of Sole Trading Concern
22. Agreement of Partnership is Partnership Deed
23. Memorandum of Association is the Constitution of the Company.
24. Certificate of Incorporation is also called Birth Certificate of Company.
25. Controlling is the Last Function of the Management.

III. Descriptive Questions

1. Define sole proprietorship and explain advantages and disadvantages of sole proprietorship ?
2. Distinguish between partnership and sole trade ?
3. Define joint stock company and state its features?
4. What is memorandum of association ? Explain its clauses ?
5. Differences between public limited company and private limited company ?