

Chapter 1: Business, Trade and Commerce

Case-Based Objective Questions

Case:

Ramesh buys raw materials, manufactures furniture, and sells it in the market regularly to earn profit.

Answer the following:

1. The activity of Ramesh is:
 - a) Profession
 - b) Business
 - c) Employment
 - d) Hobby
2. Manufacturing furniture is part of:
 - a) Primary activity
 - b) Secondary activity
 - c) Tertiary activity
 - d) Trade
3. Selling furniture is an example of:
 - a) Industry
 - b) Commerce
 - c) Trade
 - d) Profession
4. The main objective of Ramesh is:
 - a) Social service
 - b) Profit earning
 - c) Charity
 - d) Entertainment

HOTS (Choose the Correct Option)

1. Identify the activity which is **not business**:
 - a) A shopkeeper selling goods daily
 - b) A doctor treating patients for fees
 - c) A person selling his old car once
 - d) A company producing goods
2. Which of the following best explains business risk?
 - a) Guaranteed profit
 - b) Possibility of loss
 - c) Fixed return
 - d) No uncertainty

Match the Following

Column A	Column B
Primary Industry	Extraction
Secondary Industry	Manufacturing
Tertiary Industry	Services
Trade	Exchange
Commerce	Aids to trade