



MCQ Test (Chapter-1)

Business Studies Class 11

MM:10

Instructions

- There are 10 Questions of one mark each.
- Select the correct option out of four options given.
- After completing test, click on FINISH button given at bottom of quiz.
- Click on check answers to get instant result on top.

1. Which of the following does not characterize the business activity?

- a) Presence of risk
- b) Salary and wages
- c) Sale or exchange of goods and services
- d) Production of Goods

2. In this type of industry two or more raw materials are combined together in the manufacturing process to make the final product. Name the industry.

- a) Processing industry
- b) Assembling industry
- c) Analytical industry
- d) Synthetical industry

3. Transfer of interest is possible only in -

- a) Possible in all economic activities.
- b) Employment
- c) Profession
- d) Business

4. Armaan is very fond of playing indoor games, he requested his father to buy him some indoor games. Father sold his old laptop on OLX.com and bought him a new playstation from Cromaelectronix.com. Which feature of business is not followed in the above case?

- a) Uncertainty of return
- b) Profit earning
- c) Economic activity
- d) Dealings in goods and services on regular basis

5. KPMG specialise in consultancy services. The company makes a software for a reputed bank in USA. It also specialises in managing the accounts of the bank. To continue this work KPMG hires professionals like engineers chartered accountants etc. who are competent in the field. KPMG comes under which kind of industry?

- a) Primary
- b) Tertiary
- c) Secondary
- d) Assembling

6. It indicates that the goods and services provided are creating utility and are well accepted by the society. What is it called?

- a) Profits
- b) Social responsibility
- c) Business risk
- d) Growth

7. Taste Buds Private limited is a popular food and beverage maker in India. In order to increase their profits, it is planning to launch 2 new Soya based snack brands 'Mingle' and 'Tingle' in order to tap India's fast-growing health conscious traditional snacks market. The strategy will help the company take on domestic major Hari Ram foods International Private limited which is the largest brand by value in the sweet as well as savory snacks market with a 28% market share. What is the type of business risk involved in the decision of Taste Buds Pvt. Ltd to launch two new brands in the snacks market? Outline one feature discussed in the case study.

- a) Pure Risk, feature: Business risks arise due to uncertainty
- b) Pure risk, feature: degree of risk depends upon the nature and size of the business.
- c) Speculative Risk, feature: Risk is an essential part of every business
- d) Speculative Risk, feature: Profit is reward for risk bearing

8. Which hindrance of Commerce is removed by trading activities which provides an organised market where sellers and buyers can contact each other?

- a) Hindrance of time
- b) Hindrance of person
- c) Hindrance of information
- d) Hindrance of place

9. Market competition, price fluctuations, rise in interest rate for borrowing, levy of higher taxes etc. are _____ causes of business risk

- a) Economic
- b) Human
- c) Natural
- d) Other

10. Three friends Amar, Akbar and Anthony completed their studies and plan to join their father's business. Amar got engaged in his sugarcane farm, Akbar joined his father's sugar mill, and Anthony joined transport business of his father. Identify the different types of industries in which Amar and Akbar are engaged.

- a) Amar: Primary industry, Akbar: Synthetical industry
- b) Amar: Primary industry, Akbar: Analytical industry
- c) Amar: extractive industry, Akbar: Processing industry
- d) Amar: Genetic industry, Akbar: Construction Industry