



# 11th COMMERCE BOOK BACK ONE MARK

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**Class / Section:.....**

**01. Historical Background of Commerce in the Sub-Continent****Choose the Correct Answer****1. The place where the goods are sold is .....**

- a) Angadi                      b) Market                      c) Nalangadi                      d) Allangadi

**2. Hindrance of place is removed by .....**

- a) Transport                      b) Warehouse                      c) Salesman                      d) Insurance

**3. Who wrote "Arthasasthra"?**

- a) Kautilya                      b) Chanakya                      c) Thiruvalluvar                      d) Elangovadiga

**4. Trade and Commerce was common to ..... Dynasty.**

- a) pallava                      b) Chola                      c) Panidya                      d) Chera

**5.....Was first sultan who paved way in the dense forest and helped traders to move from one market place to others place for their commercial caravans.**

- a) Balban                      b) Vascode Gama                      c) Akbar                      d) Alauddin Khilij

**02. Objective Of Business****Choose the Correct Answer****1. The Primary objective of a business is .....**

- a) Making Profit                      b) Not Making Profit  
c) Special Skill                      d) None of the above

**2. Occupation of a Doctor is .....**

- a) Employment                      b) Business                      c) Profession                      d) Sole Proprietor

**3. The following does not characterize business activity?**

- a) Production of Goods and Services                      b) Presence of Risk  
c) Sale or Exchange of Goods and Services                      d) Salary or Wages

**4. Activities undertaken out of love and affection or with social service motive are termed as:**

- a) Economic activities                      b) Monetary activities  
c) Non Economic Activities                      d) Financial Activities

**03. Classification of Business Activities****Choose the Correct Answer****1. The industries engaged in extraction of iron ore are known as .....**

- a. Construction Industries                      b. Manufacturing Industries  
c. Extraction Industries                      d. Genetic Industries

**2. Production which involves several stages for manufacturing finished products is known as .....**

- a. Analytical Industry                      b. Synthetic Industry  
c. Processing Industry                      d. None of the above

**3. Normally high level risk involved in .....**

- a. Industry                      b. Commerce                      c. Trade                      d. All of the above

**4. Auxiliaries to trade is also called as.....**

- a. Trade                      b. Advertisement                      c. Warehousing                      d. Aids to Trade

**5. Commerce is mainly concerned with.....**

- a. Connecting producer and consumer                      b. Pricing of Goods  
c. Buying and Selling of goods                      d. Manufacturing of goods

**04. Sole Proprietorship****Choose The Correct Answers****1. Which is the oldest form of Business organisation?**

- a. Sole Proprietorship      b. Partnership      c. Co-operative Society      d. Company

**2. In which form the owner, establisher and manager is only one?**

- a. Joint Enterprise      b. Government Company  
c. Co-operative Society      d. Sole Proprietor

**3. A major disadvantage of sole proprietorships .....**

- a. Limited liability      b. Unlimited Liability  
c. Easy Formation      d. Quick decision

**4. From the following which one is Non corporate form of business?**

- a. Joint stock company      b. Sole Trading Business  
c. Government company      d. Co-operatives

**05. Hindu Undivided Family And Partnership****Choose The Correct Answers****1. The firm of Hindu Undivided Family is managed by whom?**

- a. Owner      b. Karta      c. Manager      d. Partner

**2. In the firm of Hindu Undivided Family, how one gets the membership?**

- a. By Agreement      b. By Birth      c. By Investing Capital      d. By Managing

**3. The members in the joint Hindu family are called .....**

- a. Karta      b. Coparceners      c. generations      d. partners

**4. 'Only the male members in the family get the right of inheritance by birth' as.....**

- a. Hindu law      b. Mitakshara Law      c. Dayabhaga law      d. None of these

**5. A partnership is formed by .....**

- a. Agreement      b. Relationship among persons  
c. The direction of government      d. Friendship

**6. Registration of partnership is.....**

- a. compulsory      b. optional      c. not necessary      d. none of the above

**7. A temporary partnership which is formed to complete a specific job doing a specified period of time is called.....**

- a. Partnership-at-will      b. Particular partnership  
c. Limited Partnership      d. Joint Venture

**8. The partnership deed also called.....**

- a. Articles of Association      b. Articles of Partnership  
c. Partnership Act      d. Partnership

**9. A partnership is registered with.....**

- a. Registrar of Companies      b. Registrar of Co-operatives  
c. Registrar of Firms      d. District Collector

**06. Joint Stock Company****Choose The Correct Answers****1. The relationship between outsiders and the company is defined in.....**

- a) Prospectus      b) Articles of Association  
c) Memorandum of Association      d) Certificate of Incorporation



**09. Government Organization****Choose The Correct Answers****1. The share capital of the government company must not be less than.....**

- a) 49%      b) 51%      c) 50%      d) 25%

**2. The oldest form of organisation in public sector .....**

- a) Public Sector Undertakings      b) Departmental Undertakings
- 
- c) Multi National Corporations      d) Statutory Corporation

**3. A Government company purchases shares in the name of .....**

- a) Prime Minister      b) President      c) Chief Justice of India      d) State Chief Minister

**4. The primary objective of the state enterprises is to .....**

- a) Earn profit      b) Provide Employment      c) Serve the People      d) All the Above

**5. Airport Authority of India is a public enterprise. Identify the form of organization.....**

- a) Statutory Corporations      b) Departmental Undertakings
- 
- c) Multi-National Corporations      d) State Owned Company

**10. Reserve Bank Of India****Choose The Correct Answers****1. Which bank has the power to issue bank notes?**

- a. Central bank      b. Commercial bank      c. Co-operative banks      d. foreign banks

**2. The Central bank of India is**

- a. PNB      b. SBI      c. ICICI      d. RBI

**3. The Reserve Bank of India commenced its operations from April 1,**

- a. 1936      b. 1935      c. 1934      d. 1933

**4. Bankers are not only dealers of money but also leaders in**

- a. Economic development      b. Trade development
- 
- c. Industry development      d. Service development

**5. Which of the following is not a function of a central bank?**

- a. Guiding and regulating the banking system of a country
- 
- b. Deal with the general public
- 
- c. Acts essentially as Government banker
- 
- d. Maintains deposit accounts of all other banks

**11. TYPES OF BANK****Choose The Correct Answers****1. Which bank is not an Industrial Bank?**

- a. ICICI      b. HSBC      c. SIDBI      d. IDBI

**2. The Local Area Banks are promoting .....**

- a. Rural savings      b. Business savings
- 
- c. Industrial development      d. Agricultural development

**3. Foreign banks are begun their operation since**

- a. 1978      b. 1979      c. 1980      d. 1981

**12. Functions Of Commercial Banks****Choose The Correct Answers****1. Electronic banking can be done through.....**

- a. Computers      b. Mobile phones      c. ATM      d. All of the above

**2. Minimum how much amount can be transferred through RTGS?**

- a. Any amount      b. 50,000      c. 2 lakh      d. 5 lakh

**3. The largest commercial bank of India**

- a. ICICI                                      b. SBI                                      c. PNB                                      d. RBI

**4. In which kind of account, it is compulsory to deposit certain amount at certain time?**

- a. Saving deposit      b. Fixed deposit                      c. Current deposit      d. Recurring Deposit

**5. Which of the following is not a type of advance provided by commercial bank?**

- a. Collecting and Supplying Business Information                      b. Overdraft  
c. Cash credit    d. Discounting of bills

**13. Warehousing****Choose The Correct Answers****1. Warehouse removes the hindrance of.....**

- a. Time                                      b. Place                                      c. Person                                      d. Knowledge

**2. A warehouse holds goods as a ..... center.**

- a) Marketing                      b) Sorting                                      c) Distribution                      d) Selling

**3..... can be given as collateral security for getting financial assistance from the bank.**

- a) Dock warrant    b) Warehouse receipt  
c) Dock receipt    d) Warehouse warrant

**4..... warehouses are licensed by the government and are permitted to accept the goods on bond.**

- a) Bonded                                      b) Cold Storage                      c) Public                                      d) All the Above

**5..... warehouses are used for storing perishable goods like fruits, vegetables, etc.**

- a) Bonded                                      b) Private                                      c) Cold storage                      d) Co-operative

**6. The document which authorizes to deliver the goods either in part or full is called.....**

- a) Warehouse warrant    b) Dock Receipt  
c) Dock warrant    d) None of these

**7. The Institutional warehouse started with the support of the government is.....**

- a) Bonded Warehouse    b) Public Warehouse  
c) Food Corporation of India    d) Custom Bonded

**14. Transportation****Choose The Correct Answers****1. Transport removes the hindrance of.....**

- a. Time                                      b. Place                                      c. Person                                      d. Knowledge

**2. Air consignment note is prepared in .....Forms.**

- a. One                                      b. Two                                      c. Three                                      d. Four

**3..... is a document acknowledging the receipt of goods by a carrier.**

- a. Waybill                                      b. Consignment note                                      c. Charter                                      d. Bill of lading

**4. Which is the fastest means transport? a. Rail      b. Road      c. Sea      d. Air****15. Insurance****Choose The Correct Answers****1. The basic principle of insurance is .....**

- a) Insurable Interest      b) Co-Operation      c) Subrogation                                      d) Proximate cause

**2. .... is not a type of general insurance**

- a) Marine Insurance      b) Life Insurance      c) Fidelity Insurance                                      d) Fire Insurance



**17. Social Responsibility of Business****Choose the Correct Answers**

**1. Which type of Responsibility gives the benefit to the Society out of its profits earned?**

- a) Legal                                      b) Ethical                                      c) Moral                                      d) Economic

**2. The Stakeholders of Socially Responsible business units are except**

- a) Share Holders                              b) Employees                              c) Government                              d) Company

**3. Assuming Social Responsibility of business helps the enterprise in**

- a) Increase profit                              b) Decrease profit                              c) Sustainability                              d) Equilibrium

**4. Socially Responsible business provides goods at**

- a) high price                                      b) Low price                                      c) Reasonable price                              d) Moderate price

**5. Social Responsibility towards employees represents the following except**

- a) Reasonable remuneration                                      b) Proper facilities  
c) Social security                                      d) Exploitation

**18. Business Ethics and Corporate Governance****Choose the Correct Answers**

**1. Which of the following helps in maximizing sale of goods to society?**

- a) Business success                                      b) Laws and regulations  
c) Ethics                                      d) Professional management

**2. Ethics is important for .....**

- a) Top management                                      b) Middle level managers  
c) Non managerial employees                                      d) All of them

**3. Which of the following does not ensure effective ethical practices in a business enterprise**

- a) Publication of a code                                      b) Involvement of employees  
c) Establishment of compliance mechanisms                                      d) None of them

**4. The role of top management is to guide t entire organisation towards .....**

- a) General behavior                                      b) Organization behaviour  
c) Ethically upright behavior                                      d) Individual behavior

**5. The ethical conduct of employees leading to standard practices results in**

- a) Good behavior    b) Bad behavior    c) Ethical behavior    d) Correct decision making

**19. Sources of Business Finance****Choose the Correct Answers**

**1. What is defined as the provision of money at the time when it is required?**

- a. Finance                                      b. Bank  
c. Cash management                                      d. None of these

**2. Internal sources of capital are those that are .....**

- a. Generated through outsiders such as suppliers  
b. Generated through loans from commercial banks  
c. Generated through the issue of shares  
d. Generated within the business

**3. Debenture holders are entitled to a fixed rate of .....**

- a. Dividend                                      b. Profits                                      c. Interest                                      d. Ratios

**4. Public deposits are the deposits which are raised directly from.....**

- a. The public                                      b. The directors                                      c. The auditors                                      d. The owners



**2. When goods are imported for the purpose of export it is called as .....**

- a. Foreign Trade      b. Home Trade      c. Entrepot      d. Trade

**3. .... acts as a connective link between the producer and the consumer.**

- a. Trade      b. Industry      c. Commerce      d. Business

**4. The aim of home trade is .....**

- a. To raise the standard of living  
b. To provide the essential goods and services economically  
c. To raise the national income  
d. To obtain all types of goods.

**5. Internal trade can be classified into ..... categories**

- a. Three      b. Four      c. Two      d. Five

### 23. Channels Of Distribution

#### Choose The Correct Answers

**1. Trade middleman who acts as a link between wholesaler and customers refers to a.....**

- a. Producer      b. Broker      c. Retailer      d. Customer

**2. Who is the first middleman in the channel of distribution?**

- a. Wholesaler      b. Producer      c. Retailer      d. Customer

**3. .... buy the goods from the producer and sell it to the retailers.**

- a. Manufacturer      b. Wholesaler      c. Retailer      d. consumer

**4. .... are agents who merely bring the buyer and the seller into contact.**

- a. Broker      b. Commission agent      c. Selling agent      d. Stockiest

**5. Merchant middlemen can be classified into ..... categories.**

- a. Three      b. Two      c. Five      d. Four

**6. Wholesalers deal in.....quantity of goods.**

- a. Small      b. Large      c. Medium      d. Limited

**7. A..... is a mercantile agent to whom goods are entrusted for sale by a principal and takes physical possession of the goods, but does not obtain ownership.**

- a. Broker      b. Factor      c. Warehouse-keeper      d. Commission agent

### 24. Retailing

#### Choose The Correct Answers

**1. Retailers deal in ..... quantity of goods**

- a) Small      b) Large      c) Medium      d) Limited

**2. Small scale Fixed retailers include .....**

- a) General stores      b) Pedlars      c) Cheap Jacks      d) Hawkers

**3. Small shops which deal in a particular line of products are called as .....**

- a) Market traders      b) Single line stores      c) Sugar market      d) Street stalls

**4. ....are mobile traders who deal in low priced articles with no fixed place of business.**

- a) Shopping malls      b) Super markets      c) Street stalls      d) Itinerant Traders

### 25. International Business

#### Choose The Correct Answers

**1. Movement of goods, services, intellectual property, human assets, technology and so on among the countries.....**

- (a) International Trade (b) International business  
 (c) Entrepot Trade (d) Internal trade
- 2. Goods are imported for purpose of re-export to another country is termed as.....**  
 (a) Import Trade (b) Export Trade  
 (c) Entrepot Trade (d) International trade
- 3. Movement of goods, services among the countries.....**  
 (a) International Trade (b) International business  
 (c) Entrepot Trade (d) Internal trade
- 4. Selling of goods from home country to a foreign country is called.....**  
 (a) Home Trade (b) Entrepot Trade  
 (c) Foreign Trade (d) Joint Venture

### 26. Export and Import Procedures

#### Choose The Correct Answers

- 1. EPC stands for .....**  
 a) Export processing commission b) Export Promotion Council  
 c) Export Carriage council d) Export Promotion Congress
- 2. STC is expansion for .....**  
 a) State Training Centre b) State Training Council  
 c) State Trading Centre d) State Trading Corporation
- 3. An.....is document prepared by importer an sent to the exporter to buy the goods.**  
 a) Invoice b) Indent c) Enquiry d) Charter Party
- 4. The ..... receipt is an acknowledgement of receipt of goods on the ship issued by the Captain**  
 a) Shipping Bill b) Bill of Lading c) Mate's Receipt d) Consular Invoice
- 5. The Exporters appoint the ..... agent to fulfill the customs formalities**  
 a) Clearing Agent b) Forwarding Agent  
 c) Commission Agent d) Factor

### 27. Facilitator of International Business

#### Choose The Correct Answers

- 1. General Agreement on Tariff and Trade was signed on .....**  
 a. 30-October-1947 b.29-October-1947 c. 28-October-1947 d. 26-October-1947
- 2. WTO was established on .....**  
 a. 1-1-1996 b.1-1-1997 c. 1-1-1995 d.1-1-1994
- 3. The headquarter of WTO is located at .....**  
 a. New York b. London c. Geneva d. Brazil
- 4. The day to day administration of WTO is entrusted with.....**  
 a. Executive Council b. General Council  
 c. Administrative Council d. General Body
- 5. World bank is located at .....**  
 a. Washington DC b. New York c. Tokyo d. Hong Kong

### 28. Balance of Trade and Balance of Payments

#### Choose The Correct Answers

- 1. The Statement which discloses a record of transactions between the residents of one country and residents of foreign country.**

- (a) Balance of Payment (b) Balance of Trade  
(c) Statement of Receipts and Payments (d) Accounting Statement

**2. The Balance of Payments councils consists of.....**

- (a) Current Account (b) Capital Account  
(c) Receipts and Payments Account (d) Both Current Account and Capital Account

**3. Foreign capital long- term loan and foreign currency reserve are recorded under.....**

- (a) Official Capital (b) Private Capital  
(c) Banking Capital (d) Both Private and Official Capital

**4. The term official capital includes.....**

- (a) RBI holdings of foreign currencies  
(b) Special Drawing Rights held by the Government  
(c) Both A and B  
(d) Foreign Investment

**5. Balance of payments surplus indicates.....**

- (a) Exports are more than the Imports  
(b) Imports are more than Exports  
(c) Exports and Imports are at Equilibrium  
(d) Exports and Imports are above Equilibrium

### 29. Elements of Contract

**Choose The Correct Answers**

**1. An agreement enforceable by law is a .....**

- (a) Enforceable acceptance (b) Accepted offer (c) Approved promise (d) Contract

**2. Every promise and every set of promises, forming the consideration for each other, is a.....**

- (a) Agreement (b) Contract (c) Offer (d) Acceptance

**3. Void agreement signifies .....**

- (a) Agreement illegal in nature (b) Agreement not enforceable by law  
(c) Agreement violating legal procedure (d) Agreement against public policy

**4. Acceptance to be valid must .....**

- (a) Be absolute (b) Be unqualified  
(c) Both be absolute & unqualified (d) Be conditional

**5. A contract with or by a minor is a .....**

- (a) Valid contract (b) Void contract  
(c) Voidable contract (d) Voidable at the option of either party

### 30. Performance of Contract

**Choose The Correct Answers**

**1. On the valid performance of the contractual obligations by the parties, the contract.....**

- a. Is discharged b. Become enforceable  
c. Becomes void d. Becomes legal

**2. Which of the following persons can perform the contract?**

- a. Promisor alone b. Legal representatives of promisor  
c. Agent of the promisor d. All the above

**3. A, B, C jointly promised to pay Rs.50,000 to D. Before performance of the contract, C dies. Here, the contract.....**

- a. Becomes void on C's death
- b. Should be performed by A and B along with C's legal representatives
- c. Should be performed by A and B alone
- d. Should be renewed between A, B and D

**4. Which of these parties cannot demand performance of promise?**

- a. Promisee
- b. Any of the Joint Promisees
- c. On the death of a Promisee, his Legal Representative
- d. Stranger to the Contract

**5. A person is said to be a third person if he is not a.....**

- a. Promisor
- b. Promisee
- c. Agent
- d. Legal Representative

**31. Discharge and Breach of a Contract**

**Choose The Correct Answers**

**1. On the valid performance of the contractual obligation by the parties, the contract**

- a. Is Discharged
- b. Becomes enforceable
- c. Becomes void
- d. None of these

**2. An agreement to do an act impossible in itself under Section.56 is.....**

- a. Void
- b. Valid
- c. Voidable
- d. Unenforceable

**3. Any agreement which becomes impossible to perform under various circumstances**

- a. Voidable
- b. Void
- c. Valid
- d. None of these

**4. Discharge by mutual agreement may involve.....**

- a. Novation
- b. Rescission
- c. Alteration
- d. All of the above

**5. The compensation given for breach of contract is.....**

- a. Damage
- b. remuneration
- c. Money
- d. Cheque

**32 Direct Tax**

**Choose The Correct Answers**

**1. Income Tax is .....**

- a) a business tax
- b) a direct tax
- c) an indirect tax
- d) none of these

**2. Period of assessment year is .....**

- a) 1<sup>st</sup> April to 31<sup>st</sup> March
- b) 1<sup>st</sup> March to 28<sup>th</sup> Feb
- c) 1<sup>st</sup> July to 30<sup>th</sup> June
- d) 1<sup>st</sup> Jan. to 31<sup>st</sup> Dec

**3. The year in which income is earned is known as .....**

- a) Assessment Year
- b) Previous Year
- c) Light Year
- d) Calendar Year

**4. The aggregate income under five heads is termed as .....**

- (a) Gross Total Income
- (b) Total Income
- (c) Salary Income
- (d) Business Income

**5. Agricultural income earned in India is .....**

- a) Fully Taxable
- b) Fully Exempted
- c) Not Considered for Income
- d) None of the above

**33 Indirect Taxation****Choose The Correct Answers****1. Who is the chairman of the GST council?**

- a) RBI Governor  
b) Finance Minister  
c) Prime Minister  
d) President of India

**2. GST Stands for .....**

- a) Goods and Supply Tax  
b) Government Sales Tax  
c) Goods and Services Tax  
d) General Sales Tax

**3. What kind of Tax the GST is?**

- a) Direct Tax  
b) Indirect Tax  
c) Dependence on the Type of Goods and Services  
d) All Business Organisations

**4. What is IGST?**

- (a) Integrated Goods and Service Tax  
(b) Indian Goods and Service Tax  
(c) Initial Goods and Service Tax  
(d) All the Above

**5. In India, GST became effective from?**

- a) 1<sup>st</sup> April 2017  
b) 1<sup>st</sup> January 2017  
c) 1<sup>st</sup> July 2017  
d) 1<sup>st</sup> March 2017