

Principle of Commerce (English Medium) - 11th Class Principle of Commerce Chapter 1 Short Questions Preparation

Q1. Define commanded human activities.

Ans 1: The activities in which human desire plays an important part i.e., speaking, walking and thinking etc. are called commanded human activities.

Q2. What is the role of planning in a good business.

Ans 1: Good planning plays an important role in the success of business. Planning means to decide what, how and when the work has to be performed. Profit of business also depends upon successful and effective planning.

Q3. Write down the qualities or elements of good business.

Ans 1:

- i. Expert management.
- ii. Large capital
- iii. Good planning.
- iv. Sound organizational structure.
- v. Ideal location.
- vi. Trained staff.

Q4. What are non-economic activities and give their examples.

Ans 1: These activities are done for personal satisfaction and not to earn profit or income e.g.,

- i. Religious activities
- ii. Rights of the parents and relatives.
- iii. Patriotism
- iv. Social welfare.

Q5. What is meant by economic / production activities.

Ans 1: All commercial and industrial activities, which are connected with the production and acquisition of wealth are known as economic / production activities.

Q6. Define employment and give its types.

Ans 1: When a person provides his services to another person or any institution on the basis predetermined terms and conditions (fixed salary) is known as employment or service. This may be of three types:

- 1. Government Service.
- 2. Semi Government Service.
- 3. Private Service.

Q7. What is meant by un-commanded human activities.

Ans 1: Un-commanded activities include all those activities, taking place in the body, where we have no control of our own, e.g., the palpitation of heart and the working stomach etc.

Q8. Define businessman.

Ans 1: Businessman is a person who is engaged buying and selling or in production of goods and services to earn profit.

Q9. What is meant by favorable balance of payment.

Ans 1: The function and object of business is to make balance of payment favorable by increasing exports and decreasing imports. Because, this position makes the country prominent in the world.

Q10. Define the term profession.

Ans 1: When a person provides his services to society on the basis of his specialized knowledge and experience in a particular field, it is known as profession (e.g) doctors, professors, engineers and accountants etc.
