

Principle of Commerce (English Medium) - 11th Class Principle of Commerce Chapter 2 Short Questions Preparation

Q1. 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.

Ans 2: i- Religious activities.

Ans 3: ii- Rights of the parents and relatives

Ans 4: iii- Patriotism

Ans 5: iv- Social welfare.

Q2. 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.

Q3. What is meant by Commerce.

Ans 1: The term 'commerce' includes all activities, and institutions, which are involved in transferring goods from their place of production to the consumers. e.g. Transport of goods, traders publicity, and warehousing etc.

Q4. Define Industry.

Ans 1: Industry is that part of business which is connected with the production of goods and services.

Q5. Define Secondary industry.

Ans 1: These industries use raw materials and make useful goods of another form. Raw material of those industries is obtained from primary industry.

Q6. How does commerce help in developing the style of living of the people.

Ans 1: Due to commerce, the availability of cheap and high quality consumer goods improves the standard of living, promotes saving and increases the income of people.

Q7. What are the important components of business.

Ans 1: There are two important components of business.

Ans 2: i- Industry

Ans 3: ii- Commerce

Ans 4:

Q8. Define Primary industry.

Ans 1: Primary industry is engaged in the production or extraction of raw materials, which are used in secondary industry.

Q9. Define foreign trade.

Ans 1: Trade or exchange of goods and services between two or more independent countries is called foreign international trade.

Q10. How does commerce make the available resources useful.

Ans 1: Goods can be exported or imported easily with the help of commerce. Countries can specialize in the production of particular goods, which are suitable in them and other goods can be imported from the other countries. So, in this way all the countries can make optimum use of their resources.
