

Principle of Commerce (English Medium) - 11th Class Principle of Commerce Chapter 4 Short Questions Preparation

Q1. State any five advantages of partnership

Ans 1: 1- Large capital

Ans 2: 2- Mutual consultation

Ans 3: 3- Division of work

Ans 4: 4- Credit facility

Ans 5: 5- Services of experts

Q2. State any five properties of the partnership business

Ans 1: 1- Unlimited

Ans 2: 2- No separate legal entity

Ans 3: 3- Mutual cooperation

Ans 4: 4- Partner as agent

Ans 5: 5- Division of profit or loss

Q3. Narrate any three important points from the definition of partnership.

Ans 1: i- Partnership shows a business relationship between persons.

Ans 2: ii- The main object of the business is profit.

Ans 3: iii- Business may be carried by all or any one of them acting for all.

Q4. Why the need of partnership business was felt.

Ans 1: i- Shortage of capital

Ans 2: ii- More burden of loss

Ans 3: iii- Failure of meaning business affairs.

Q5. Who is minor partner.

Ans 1: Minor partner means a partner whose age is less than 18 years. A minor partner may become a partner of the business with the consent of all the other partners.

Q6. Explain the dissolution of partnership business or firm.

Ans 1: According to section 39 of Partnership Act 1932. The dissolution of partnership among all the partners of firms is called dissolution of firm.

Q7. Define Partnership

Ans 1: The relation between persons who have agreed to share the profits of a business carried on by all or any one of them acting for all.

Q8. Define partnership deed.

Ans 1: Partnership deed is a document, which contains all necessary rules and regulation required to run the partnership business.

Q9. List down the methods of dissolution of firm.

Ans 1: 1- Dissolution by agreement ii- By notice iii- breach of partnership act

Ans 2: iv- Contingent dissolution v- By court

Q10. Define the registration of partnership

Ans 1: Registration means a proof of existence of partnership business or firm. The process of recording the name of firm with the registrar of firm is called the registration of firm.
