

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. Which one is the best option of partnership agreement.

Ans 1: The best form of partnership deed is that it must be written registered and signed by the all partnership so that partners can know their rights and duties.

Q3. 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.

Q4. Who is a junior partner.

Ans 1: Junior partner means a partner who has invested small capital and has a limited experience of business. His ratio of profit and loss is also less as compared to other partners.

Q5. 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 managing business affairs.

Q6. What is meant by nominal partner.

Ans 1: Nominal partner is a partner who neither invest capital nor shares the profit or loss of the firm. He also does and participate in the management of a firm. A firm only uses the name and good reputation of this partners.

Q7. State the advantages of registration of firm.

Ans 1: 1- Credit facilities. ii- Legal protection iii- Government facilities.

Ans 2: iv- Public confidence v- Business reputation

Ans 3: vi- Protection to creditors

Q8. State the liabilities of partners.

Ans 1: i- Joint Liability ii- Liability of a new partner

Ans 2: iii- Liability of retired partners iv- Liability of deceased partner

Ans 3: v- Liability of insolvent partner

Q9. Define Shirkat ul Anan.

Ans 1: 1- The share of partners in capital may be different

Ans 2: 2- The profit or loss of business shall be distributed according to the capital contributed by the partners.

Ans 3: 3- The partners are allowed to contribute capital in form of cash only

Q10. List out the types of partnership

Ans 1: i- Partnership for fixed period

Ans 2: ii- Partnership at will iii- Limited partnership iv- Particular partnership
