

Principle of Commerce (English Medium) - 11th Class Principle of Commerce Chapter 8 Short Questions Preparation

Q1. Define cooperative society.

Ans 1: Cooperative society is formed for the promotion of thrift, self help and mutual aid among agriculturists and other persons with common economic, needs so as to bring about better living, better business and better methods of production and for that purpose to consolidate sources.

Q2. State the important features of cooperative society.

Ans 1: i- Voluntary membership

Ans 2: ii- Voluntary registration

Ans 3: iii- Elected management. iv- One vote right

Ans 4: v- Specific objectives vi- Cash transactions.

Q3. Write down the merits of cooperative society.

Ans 1: i - Elimination of middlemen ii- Promotion in savings

Ans 2: iii- Better standard of living iv- Equal distribution of wealth

Ans 3: v- Less prices for members vi- More employment

Q4. List down any five kinds of cooperative society.

Ans 1: i- Producer's cooperative society.

Ans 2: ii- Consumer's cooperative society

Ans 3: iii- Marketing cooperative society

Ans 4: iv- Insurance cooperative society.

Ans 5: v- Housing cooperative society.

Q5. What is meant by producers co operative society.

Ans 1: This society is formed by small workers, industrialists and crafts men. The membership is limited to the producers of specific goods. All the necessary activities like production, management and marketing are performed by members themselves.

Q6. What are the sources of capital of a cooperative society.

Ans 1: The capital of the society is contributed by the members through purchase of shares and paying membership fee in cooperative society. One member can buy shares up to one fifth of share capital.

Q7. What are the objectives of co operative society.

Ans 1: i- Sale of goods at reasonable price

Ans 2: ii- Elimination of middleman iii- Increase in saving and capital

Ans 3: iv- Mutual cooperation vi- Issuance of loans at low rate of interest.

Q8. What is the basic objective of forming of cooperative society.

Ans 1: The main objective of the formation of cooperative society is the Welfare of members and is to work on the principle " All for each and each for all".

Q9. How does co operative society play its role in the economic development of a country.

Ans 1: Cooperative society is one type of the business units. It also contributes toward the economic development by increasing output and providing employment etc. In the presence of cooperative societies, the balanced growth of country is possible

Q10. What is the number of members in a cooperative society.

Ans 1: In Pakistan, the minimum number of members required for the establishment of a cooperative society is 30 and 50 for other societies. However, there is no restriction of maximum number of members.