

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

Q1. Write down the merits of co operative society.

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

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

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

Q2. How does co operative society plays role inthe economic developmentof 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

Q3. What is menat by producers co operative society.

Ans 1: This society is formed by small workers, industiralists and crafts men. the membership is limite to the producers of specifif goods. All the necessary activities like production, managment and marketing are performedby memebtrs themselives.

Q4. 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 memebtrs and is to work on the principle " All for each and each for all".

Q5. How does the co operative society run its business affairs .

Ans 1: The memebtrs elect the managing committee to carry on day to day affairs of the socieyt. the managing committee carries out the policies as laid down in the general meeting of the society, but every important matter is always decided by the majority of memebtrs.

Q6. 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.

Q7. 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.

Q8. 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 on up to one fifth of share capital.

Q9. Write down the demerits of cooperative society.

Ans 1: i- Less finance. ii- inefficient management.

Ans 2: iii- Absence of discipline iv- Unlimited liability

Ans 3: v- Lack of legal governance vi - Lack of secrecy

Q10. What are the objectives of cooperative 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.
