Principle of Commerce (English Medium) - 11th Class Principle of Commerce Full Book Short Questions Preparation

Q1. Why the life of sole tradership is limited.

Ans 1: The existance and survival of sole propertership based on good health, active participate shrewdness of the sole owner. Sometimes the wrong activites of sole tradership.

Q2. Write down the four kinds of Business letters.

Ans 1: i- Inquiry letter ii- Quotation letter

Ans 2: iii- Claim letter iv- Circualr letter

Q3. Define means of transporatation.

Ans 1: Transport refers to physical means by which human beings and commodities are transferred from one place of goods and persons.

Q4. Define Cash Register.

Ans 1: It is a machine which keeps a duplicate record of all cash memos.It is generally used in retail shops and supermarkets. It is generally used in retail ships and supermarkets. It helps to check the misappropriations on the part of salesmen. These mechines are useful for those concerns whihc receive cash regularly from a large number of customers.

Q5. What is mena tby Special resolution.

Ans 1: The resolution which is passed by 1/4 three fourth majority of the shareholders is caleld special resolution a 21 days notice along with a copy of resolution must be sent to each memeber

---

Q6. What are teh fuctions of an office.

Ans 1: i- Receiving information ii- Recording information

Ans 2: iii- Arranging informations iv- Transmitting information

Ans 3: v- Filing vi- Supplying office requisites

Q7. State the three imporanta objectives of advertisment.

Ans 1: i- Retaining loyal customers.

Ans 2: ii- Recruiting new customers.

Ans 3: iii- Reducing lost customers.

Q8. State the numebr of shareholders in a joint stock company.

Ans 1: In case of a multi memebrs private limited company minimum number of members shuld be two and maximum fifty whilst in a listed public limited company minimum memebrs should be seven but there is no limit on maximum number of members

---

Q9. Define prospectus of a company.

Ans 1: This document is advertised for raising the capital in this the general public is invited to purchase the shares An attested copy of prospectus should be submited to registar's ofice. It also contains the date of issues.

Q10. State the procedure or steps of exporting goods.

Ans 1: 1- Obtaing and acceptance of indent.

Ans 2: 2- Procuring the goods. 3- Registration and import license

Ans 3: 4- Preparation of documents 5- Packing and shipment.

Ans 4: 6- Insurance of goods 7- Dispaching the documents

Ans 5: 8- Securing payment.

Q11. What is exporter wholesaler.

Ans 1: these wholesalers are engagedin exporting the goods of different manufactures.They estasblish trade links with foreign countries to export goods, which causes to increase the profit of both wholeasaler and producer.

Q12. What is meant by the bil of sight.

Ans 1: If the importer cannot provide the information for goods then he requests the customs authorities for the inspectin of goods with the help of this bill.

Q13. State the importance of means of transportation.

Ans 1: i- Widens the market ii- Industiral and agricultrual development

Ans 2: iii- Stablizes prices iv- Full utilization of resources

Ans 3: v- Mobility of labour vi- Provides employment

Q14. What is the type of calculating machines.

Ans 1: i- Calculater ii- Posting machine iii- Invoice machine

Ans 2: iv- Time recording machine v- Cash register

Ans 3: vi- Computer.

Q15. State the advantages of registration of fiirm.

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

Ans 2: iv- Public confidence v- Business reputation

Ans 3: vi- Protection to crediitors

Q16. What is F.O.B

Ans 1: This includes cost of goods and all the charges on goods up to the placement of goods on ship including railway freight and cost of loading on ship etc.

Q17. State the definition and kinds of trade.

Ans 1: Trade is an activity of buying and selling of goods for money or other goods.

Ans 2: Kinds: Home Trade: In home trade exchang of goods or business is conducted within the boundaries of a particualr county seller and buyer relate to a same country.

Ans 3: Foreign Trade: Trade or exchage of goods and services between two or more independent countries for their mutual advatages is described as foreign trade.

Q18. What are teh important types of life insurance.

Ans 1: a- Stright life b- Limited payment life

Ans 2: c- Single premium life. d- Endowment life policy e- Term assurance.

Ans 3: f- Group life insurance g- Jiwan sathi insurance.

Q19. How many memebr of directors are in a company.

Ans 1: According to section 154 of Companies Act 2017, a multi memebrs private company shall not have less than two directos and a listed public company shall not have less than seven directors.

Q20. Waht is meant by Holding company.

Ans 1: i- It is a company which holds more than 50% shares of another company.

Ans 2: ii- The company may have the powers to appoint more than 50% of directors of another company e.g. Nishat Mill Limited is the holding company of Nishat power limited etc.
