

QB365 Question Bank Software Study Materials

Sole Proprietorship 50 Important 1 Marks Questions With Answers (Book Back and Creative)

11th Standard

Commerce

Total Marks : 50

Multiple Choice Question

50 x 1 = 50

- 1) Which is the oldest form of Business organisation?
(a) Sole Proprietorship (b) Partnership (c) Co-operative Society (d) Company
- 2) In which form the owner, establisher and manager is only one?
(a) Joint Enterprise (b) Government Company (c) Co-operative Society **(d) Sole Proprietor**
- 3) A major disadvantage of sole proprietorship is _____.
(a) Limited liability **(b) Unlimited liability** (c) Easy Formation (d) Quick decision
- 4) From the following which one is Non-corporate form of business?
(a) Joint stock company **(b) Sole trading business** (c) Government company (d) Co-operatives
- 5) A Sole proprietor concern is free from _____ regulation.
(a) Private **(b) Government** (c) Indian Contract Act (d) Indian Law
- 6) _____ is an Important as well as Specific Advantage of sole proprietorship.
(a) Easy formation (b) Incentive to work hard **(c) Small capital** (d) Flexibility
- 7) Sole trading business can be started by _____.
(a) at least two persons (b) at least three persons (c) at least seven persons **(d) anyone person**
- 8) Sole Proprietorship is suitable for _____.
(a) Large scale concerns (b) Medium scale concerns **(c) Small scale concerns** (d) None of the above
- 9) A sole trader _____.
(a) cannot keep his business secrets **(b) can keep his business secrets** (c) both (d) none of the above
- 10) There is a limit to _____ ability of a sole trader.
(a) managerial (b) worker (c) owner (d) none of these
- 11) A sole trader concern is owned by an _____.
(a) partner **(b) individual** (c) organisation (d) society
- 12) The business organisation which runs on the principle "All is he and he is all in all" is _____.
(a) Sole trading concern (b) Co-operative society (c) Joint Hindu Family (d) Partnership
- 13) The structure in which there is separation of ownership and man agreement is called _____.
(a) Sole Proprietorship (b) Partnership **(c) Company** (d) All business organisation
- 14) The Liability of sole trader is _____.
(a) Limited (b) Unlimited (c) None of the above (d) Easy
- 15) Sole Proprietorship is a _____ type of organisation.

- (a) Regid **(b) Flexible** (c) None flexible (d) Highly flexible
- 16) "He owns all, risk all" this principle is followed in _____
(a) Sole tradership (b) Partnership (c) Co-operatives
- 17) Enjoyment of ____ profit is possible in sole trade.
(a) Entire (b) Portion of (c) Division
- 18) "No seprate Legal Entity" in case of _____
(a) Sole trade (b) Joints company (c) Co-operatives
- 19) Managerial skill is limited in _____
(a) Partnership **(b) Soletradership** (c) Joints company
- 20) _____business organisation is easy and simple to form.
(a) Joints company (b) Partnership **(c) Sole tradership**
- 21) _____is found in each and every country in the world .
(a) Partnership **(b) Sole tradership** (c) Joint hindu family
- 22) On the basis of ownership of a business, forms of a business can be classified into_____groups.
(a) 2 **(b) 3** (c) 4 (d) 5
- 23) A business run by an individual is known as_____business.
(a) Sole Trader (b) Partnership (c) Company (d) Co-operatives
- 24) The reason for the end of the sole trading concern is_____.
(a) Death (b) Insanity (c) Insolvency **(d) All the above**
- 25) When his business assets are not sufficient to pay off the business debts, he has to pay from his personal property _____
(a) Unlimited Liability (b) Flexibility (c) Small capital (d) Limited Liability
- 26) Which of the following is the oldest form of business organisation?
(a) Sole trading concern (b) Partnership (c) Joint hindu family (d) Co-operatives
- 27) Which of the following is easy and simple to organise?
(a) Sole trading concern (b) Partnership (c) Joint hindu family (d) Co-operatives
- 28) Which of the following is an example of sole trading concern?
(a) Multiple shop (b) Departmental store (c) TVS limited **(d) Tailoring shop**
- 29) Which of the following is not a feature of sole trading concern?
(a) No special legislation (b) One-man ownership and control **(c) Limited liability** (d) Small capital
- 30) Direct contact with the customers is possible in_____
(a) sole trading concern (b) private limited company (c) public limited company (d) co-operatives
- 31) Which of the following is suitable, where small amount of capital is required?
(a) Sole trading concern (b) Private limited company (c) Public limited company (d) Co-operatives
- 32) Consumers are _____
(a) creditors (b) debtors **(c) kings** (d) owners

- 33) The day-to-day requirements of consumers are supplied by_____
- (a) producer (b) manufacturer (c) whole-saler **(d) sole trader**
- 34) "One-man control is the best in the world" -This statement is given by_____
- (a) Dr. O.R. Krishnaswami (b) Wheeler **(c) William R. Basset** (d) James Stephenson
- 35) Sole tradership is governed by_____
- (a) Special Act (b) Separate Act (c) Sole Traders Act **(d) No Act**
- 36) Which of the following is not a non-corporate enterprise?
- (a) Joint hindu family business (b) Sole proprietorship (c) Partnership **(d) Joint-stock company**
- 37) Which one of the following is the corporate enterprise?
- (a) Joint hindu family business (b) Sole proprietorship (c) Partnership **(d) Joint-stock company**
- 38) Nobody can claim a share of profit in_____
- (a) sole proprietorship** (b) partnership (c) joint-stock company (d) co-operatives
- 39) Highly flexible type of organisation is_____
- (a) sole proprietorship** (b) partnership (c) joint-stock company (d) co-operatives
- 40) In _____ business, the secrecy can be maintained easily.
- (a) Sole proprietorship** (b) partnership (c) co-operatives (d) private company
- 41) _____ comes to an end with death of the owner.
- (a) government company (b) joint undivided family firm **(c) sole trading concern** (d) partnership
- 42) _____ need not consult anybody else.
- (a) government company **(b) sole trader** (c) co-operatives (d) private company
- 43) _____ can take quick decisions in business.
- (a) partners (b) joint hindu family firm (c) private company **(d) sole traders**
- 44) _____ is an important as well as specific advantage of sole proprietorship.
- (a) small capital** (b) limited managerial skill (c) lack of specialisation (d) hasty decisions
- 45) Sole proprietor is more likely to take _____ decision as he need not consult anybody else.
- (a) diplomatic (b) slow **(c) hasty** (d) well planned
- 46) Sole trading business is owned by _____ person.
- (a) single** (b) double (c) triple (d) many
- 47) The liability of sole trader is _____
- (a) limited **(b) unlimited** (c) joint (d) several
- 48) Sole trader can cultivate personal relationship with the _____
- (a) manufacture (b) middleman **(c) customers** (d) government
- 49) From the following which is a non-corporate enterprise?
- (a) Joint stock company (b) Sole trading business **(c) Government company** (d) Co-operatives
- 50) The characteristics of sole trader_____.
- i) Enjoying entire profit

- ii) No separate entity
- ii) Limited liability
- iv) Maintenance of secrecy

(a) i, ii and iii **(b) i,ii and iv** (c) ii, iii and iv (d) i, iii and iv