



ST. LAWRENCE HIGH SCHOOL

A Jesuit Christian Minority Institution

WORK SHEET - 15

CLASS -XI

SUBJECT – BSTD

CHAPTER 2 – Forms of Business Organisations

F.M – 15

DATE -10.08.20

TOPIC – Steps in the formation of a business

Multiple choice questions : (Select the correct option)

1. Detailed investigation of commercial feasibility does not include
 - a) employing labourers
 - b) capital requirement
 - c) estimated profit margin
 - d) none of these.
2. An _____ is to discover the business opportunities before starting up a business.
 - a) entrepreneur
 - b) labourers
 - c) investors
 - d) none of these.
3. After investigation of commercial feasibility the next step is
 - a) verification of the results of investigation
 - b) choice of ownership
 - c) financial planning
 - d) none of these.
4. After verifying the results the next step is
 - a) choice of ownership
 - b) choice of the size of business
 - c) selection of the best alternative
 - d) none of these.
5. One of the forms of business organization is
 - a) small scale
 - b) large scale
 - c) partnership
 - d) none of these.
6. The first function of a promoter before setting up a business organisation is
 - a) plant layout
 - b) tax planning
 - c) discovery of business opportunities
 - d) none of these.
7. Whether the business will be sole proprietorship, partnership or a company will depend on the choice of
 - a) ownership
 - b) capital requirement
 - c) size of business
 - d) none of these.
8. _____ is the lifeblood of business.
 - a) electricity
 - b) raw materials
 - c) capital
 - d) none of these.
9. Registration is not compulsory for
 - a) sole proprietorship
 - b) joint stock company
 - c) government company
 - d) none of these.

10. Certificate of commencement of business can be obtained from the _____ of Companies.

- a) authority b) office c) Registrar d) none of these.

11. Comparatively low capital requirement is there in a

- a) joint stock company b) government company c) sole proprietorship d) none of these.

12. Comparatively high capital requirement is there in a

- a) joint stock company b) partnership c) proprietorship d) none of these.

13. The last step in the establishment of business organisation is

- a) plant layout b) legal formalities for registration c) choice of ownership d) none of these.

14. If the demand for the product is restricted to the local market it is advisable to organise a business on a

- a) large scale b) medium scale c) small scale d) none of these.

15. The success of business depends on the efficiency of

- a) creditors b) debtors c) management d) none of these.

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