



INDIAN SCHOOL MUSCAT

Senior Section

Department of Commerce and Humanities

ELEMENTS OF BUSINESS (154)

Class : IX

Unit 3: Steps Involved in Establishing Business

Worksheet-No 3

1	What is a Sole Proprietorship? (a) Business owned by president (b) Business owned by several companies (c) Business owned by one person (d) Business owned by a company	1
2	Sole proprietorship business can be started by (a) at least seven persons (b) any one person (c) at least two persons (d) at least three persons	1
3	The life of sole proprietorship business is (a) Stable (b) Very short life (c) Unstable (d) Long life	1
4	Which of the following is owned by a single person (a) Private Company (b) Public Company (c) Joint Hindu Family (d) Sole Proprietorship	1
5	A sole proprietor has a limit in which of the following ability (a) Managerial (b) Owner (c) Worker (d) None of these	1
6	Sole proprietorship business owner has (a) Restricted Liability (b) No Liability (c) Unlimited Liability (d) Limited Liability	1
7	Sole Proprietorship is most suitable for (a) Medium scale concerns (b) Large scale concerns (c) Small scale concerns (d) None of the above	1
8	A Sole proprietor concern is free from regulation by. (a) Indian Contract Act (b) Government (b) Private Indian (d) Indian Law	1
9	The reason for the end of the sole proprietorship can be (a) Insolvency (b) Insanity (c) Death (d) All the above	1
10	Profits do not have to be shared. This statement refers to (a) Company (b) Sole Proprietorship (c) Joint Hindu Family Business (d) Partnership	1
11	Fill in the blanks: (i) Sole Proprietorship refers to a form of business organisation which is _____, _____ and _____ by an individual. (ii) Sole proprietors have _____ liability. (iii) _____, _____ or _____ of a proprietor affects the business and can lead to its closure.	5

	(iv) In the eyes of the law, no _____ is made between the sole trader and his business. (v) A sole trader is also not bound by law to _____ firm's accounts. (5 * 1 = 5 marks)	
12	To start a partnership business, what should be the minimum number of partners? (a) 2 (b) 10 (c) 4 (d) 20	1
13	What type of agreement is used to form a partnership business? (a) Written agreement (b) Oral agreement (c) Written or oral agreement (d) None of them	1
14	In Partnership, partners liabilities are (a) Unlimited (b) Limited to the capital of the business (c) Limited (d) Both A and C	1
15	A _____ is a business with two or more owners: (a) corporation. (b) conglomerate. (c) partnership. (d) public corporation.	1
16	Which of the following is an advantage of a sole proprietorship? (a) ease of starting a business. (b) being your own boss. (c) pride of ownership. (d) all of the above.	1
17	Profits do not have to be shared. This statement refers to (a) Company (b) Sole Proprietorship (c) Joint Hindu Family business (d) Partnership	1
18	The main disadvantage of a general partnership is: (a) the unlimited liability of the partners. (b) disagreement amongst partners. (c) shared management. (d) difficulty of termination.	1
19	What is the partnership written agreement known as?: (a) Partnership contract (b) Agreement (c) Partnership deed (d) Partnership Act	1
20	Which is not a feature of a partnership business? (a) Ease of formation (b) Limited liability (c) Limited life (d) Mutual agency	1
21	Which kind of partnership one partner has unlimited liability and other partner have limited liability? (a) Partnership-at-will (b) Limited partnership (c) General partnership (d) Particular partnership	1
22	Which types of partnership have no agreement in terms of the duration of partnership? (a) Partnership-at-will (b) Limited partnership (c) General partnership (d) Particular partnership	1
23	Fill in the Blanks:	5

