CHAPTER-1 (INDIRECT QUESTIONS)

1. After doing B.Sc. Mohan has decided to start Poultry farm. Due to his good behaviour and hard work his business is increasing day by day. He has start sending eggs to another country also. Which kind of Industry he has started?
2. Naina has just completed her M Sc in agricultural sciences and have started applying for jobs in her field. She came to know about an organisation in Banaras where they rear silkworms for manufacturing the famous Banarasi Silk sarees and decided to join the same.
   What is the process of rearing silkworms for silk called and name the type of industry which she has joined?
3. Identify the economic activity in which it is necessary to follow a code of conduct laid down by its regulating body?
4. Which industry combines the various components to form a new product? Give any one example of the identified industry.
5. A partnership firm is doing the business of readymade garments for women. Its demand always fluctuates with the changes in taste and preferences and due to competitor's policy. These factors are beyond the control of business and can result in decline of profits of even losses. The firm therefore decides to take some steps to deal with such uncertainties.
   a) Identify and state the concept of business highlighted in the above para.
   b) Mention and state two features of the concept identified.
6. Ajay is a well-qualified medical practitioner is doing his job very seriously. He is serving his patients with full dedication and sincerity. He is charging very nominal amount from the patients for fees. Due to this many patients attracted towards him. Apart from above he opened a medical store.in his nursing home for charity purpose with no profit motive. He is providing the medicines of branded pharmaceuticals companies to the patients at the same price at which he is getting. He is satisfied with all his efforts.
   a) Which type of human activities are undertaken by Ajay
   b) Distinguish between the types of activities identified.
7. Somesh is a lecturar in Delhi Unversity earing Rupees 1 lakh per month. Kunal is a farmer producing 20 qintals of wheat for self-consumption and 200 quintals for sale. Sarthak is a jounalist in a reputed media agency and teaches slum children after office hours.
   a) Which type of human activity is undertaken by Somesh and Kunal
   b) Which type of human activity is undertaken by Sarthak(teching slum children after office)
   c) Distinguish between the types of activities identified.

8. Indu bought a readymade dress for Rs.5,000. Her friend liked the design of the dress very much so Indu sold the same dress to her friend for Rs.5,500 and made a profit of Rs.500. After completing her studies Indu opened a shop of selling readymade dresses for girls. She appointed one tailor on a monthly salary of Rs. 9000. She also decided to start a campaign to create awareness among people for developing clean surroundings in their area.
   a) Can the transaction between Indu and her friend be termed as Business? Give reasons for your answer.
   b) Identify the the economic activity which Indu is involved when she opened her shop and mention two features of this activity.
   c)Identify the economic activity undertaken by Tailor.
   d)Distinguish between two types of activities identified on any two bases.
9. A company is manufacturing soft toys for children. It generally employee women labour. It is existing for the past 10 years and able to cover up its costs.in the initial years it was able to earn Rs.5 lakhs a month. But now after 10 years its earnings have increased. So now it is planning to

set up one more unit for battery operated toys in the north east region where employment opportunities are few and labour is available at cheap rates. It also decides to donate 10% of its earnings on the education of its employee's children.

a) Identify two economic objectives the company has already achieved
b) Quote the lines which help you to identify.
c) Mention the economic objective it is yet to achieve.
d) List out two social objectives it is pursuing.

10. Business dealing in fashion oriented products runs greater risk as compared to the business dealing in essential commodities. But risk is there in all types of business. No business can avoid risk. Many a times a business has fear that his demand forecast may go wrong, he gets worried that workers may go on strike. He may come across the situations where there is breakdown of electricity and production targets are not achieve and so on. But he undertakes all these risks as he knows that "higher the risk, higher the profits.with careful decision making, accurate forecasts, and insurance cover, he can minimise the risk.

a) The above para throws light on the nature of business risks. Identify any two features of business risks by quoting the lines.
b) Also mention and explain two causes of business risks not highlighted above

11. Shweta is a fashion designing student from Pearl. She decides to open her own studio after completing her degree. She discusses her plan with her friend Anjali. Shweta plans to purchase high quality sophisticated hand embroidery machines to start her venture.
Anjali advises Shweta that she should not invest so many funds initially as business also means possibility of loss. Anjali tells her that fashion keeps on changing and technology also changes from time to time in this industry.
(a) State the concept Anjali is referring to.
(b) Mention and state two features of the concept identified

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a) The above para throws light on the nature of business risks. Identify any two features of business risks by quoting the lines.
b) Also mention and explain two causes of business risks highlighted.

13. Kapil wants to start a wholesale business of stationery items in India. But he is hesitating as he is aware of various hindrances related to finding customers, movement of goods, storing goods till demanded, arrangement of capital, providing information to customers, taking care of theft, fire, accident and so on. He approached his friend Krishna who is importing electronic items for the purpose of exporting. Krishna elaborates various functions of Commerce to Kapil.After getting convinced by Krishna's advice, he started the business and finds no major problems.

a) Trade is broadly classified in two categories. Identify the category under which kapil is planning to start the business
b) Identify the category under which Krishna is doing the business

c) Mention one more type of business under each category identified
d) Mention various hindrances kapil was worried about.
e) What functions of Commerce Krishna must have explained to kapil to remove various hindrances?

14. Viraj's father gifted him a cricket bat on his birthday.Its cost is Rs.1000.After using for few months he sold it to his friend Mohsin for Rs.1400 and earned Rs.400.He was boosted by this transaction and after completing his studies, he started the trading in sports material under the banner M/s Viraj traders.He appoints Mr.Rakesh and Ms.Seema as depatmental managers who are qualified MBA's.

a)Can the transaction between Viraj and Mohsin be considered as business transaction? Why?
b)Identify the economic activity in which Viraj traders is involved and mention two features of this activity.
c)Identify the economic activity undertaken by Rakesh and Seema
d)Distinguish between two types of activities identified on any two bases.