

**DEPARTMENT OF BACHELOR OF BUSINESS ADMINISTRATION**  
**BUSINESS ORGANIZATION**  
**SEM-1 MODEL PAPER-2**

**ANSWER THE FOLLOWING MULTIPLE CHOICE QUESTIONS- [30 M]**

**EACH QUESTION CARRIES 1 MARK**

1. What does ROI stand for in business?

- a) Return on investment
- b) Rate of inflation
- c) Revenue of interest
- d) Risk of investment

2. What is the purpose of supply chain in business?

- a) Manage employee relationships
- b) Coordinate production and distribution of goods
- c) Advertise products to consumers
- d) Conduct financial audits

3. What is the term for the stage in business development where a product or industry experiences a decrease in demand?

- a) Growth
- b) Introduction
- c) Decline
- d) maturity

4. What is the key advantage of corporation

- a) Easy formation
- b) Unlimited liability
- c) Limited government regulation
- d) Separate legal entity status

5. In a partnership how are profits and losses typically shared?

- a) Equally among all partners
- b) Proportionally based on investment
- c) Only by the managing partner
- d) According to seniority

6. Which of the following best defines a government owned company?

- a) Private enterprise with no government involvement
- b) Company jointly owned by multiple governments

- c) Business entirely owned and operated by the government
- d) Publicly traded company with government shares

7. What is the minimum paid up capital required for a private company in many jurisdictions?

- a) 1 lakh
- b) 10 lakhs
- c) 1 crore
- d) 10 crores

8. Which of the following is a characteristic of a partnership business structure?

- a) Limited liability
- b) Sole ownership
- c) Shared decision making
- d) Public ownership

9. In a partnership what is the term for the partner who is responsible for specific tasks but not involved in the overall management?

- a) Active partner
- b) Special partner
- c) Joint partner
- d) Nominal partner

10. What is a key advantage of a joint stock company in terms of raising capital?

- a) Limited liability
- b) Ease of formation
- c) Increased ability to raise funds
- d) Simple decision making

11. What is a potential disadvantage of sole proprietorship in terms of financial responsibility?

- a) Limited liability
- b) Double taxation
- c) Unlimited personal liability
- d) Access to external funding

12. In an one person company who holds the ultimate decision making authority?

- a) Board of Directors
- b) Share holders
- c) Sole owner
- d) Government officials

13. What is a crucial factor to consider when choosing a business location?

- a) Personal preferences
- b) Proximity to competitors
- c) Availability of skilled labor
- d) Weather conditions

14. In the context of plant location ,what is the importance of market proximity?

- a) reducing transportation costs
- b) Enhancing customer services
- c)both
- d) Neither a or b

15. Why is the availability of skilled labor considered a crucial factor in plant location?

- a)Skilled labor has no impact on productivity
- b) Reduces employee turnover
- c) increases production costs
- d) Facilitates better communication

16.How does the proximity to raw materials impact plant location decisions?

- a) no effect on production costs
- b) reduces transportation costs
- c) increases dependence on imports
- d) Raw materials are irrelevant to location decisions

17.What financial factors can influence the size of a business unit especially in terms of access to capital?

- a) Unlimited capital availability
- b) Limited capital resources
- c) Government subsidies
- d) Small and large units have equal access to capital

18. How does technological innovation affect the size of a business unit?

- a)it has no impact on business size
- b)encourages smaller,more agile business units
- c) favors larger business units with greater resources
- d) technology only affects marketing strategies

19.What is a business combination?

- a) A Financial statement
- b) The merger of two or more entities to form a new one
- c) An accounting principle
- d) A marketing strategy

20. Which form of business combination involves the purchase of more than 50% of another company voting stock?

- a) Minority interest
- b) Joint venture
- c) Acquisition
- d) consortium

21. What can be financial motivation for a business combination?

- a) Increasing competition
- b) Reducing finance
- c) Minimizing economies of scale
- d) Avoiding tax benefits

22. When a company undergoes rationalization, what is one of its primary goals?

- a) Maximizing complexity
- b) Minimizes efficiency
- c) Reducing costs
- d) Expanding bureaucracy

23. Which is a potential objective of nationalization?

- a) Increasing competition
- b) Reducing government control
- c) Enhancing state control over key industries
- d) Promoting free market principles

24. Rationalization is often driven by a desire to

- a) Reduce market share
- b) Increase prices
- c) Enhance market competitiveness
- d) Ignore customer demands

25. In asymmetric encryption, which key is used for encryption?

- a) public key
- b) private key
- c) shared key
- d) symmetric key

26. What does CPU stand for?

- a) Central processing unit
- b) Computer processing unit
- c) Central program unit
- d) Central peripheral unit

27. What is the purpose of a firewall in computing?

- a) Protect against virus
- b) Monitor internet speed
- c) Control network access
- d) Improve system performance

28. Which of the following is an example of a secondary storage device?

- a) RAM

- b) SSD
- c) CPU
- d) Cache memory

29. what is a MAC address used for in internet?

- a) Identifying device on a network
- b) Managing network traffic
- c) Encrypting data transmission
- d) Enhancing file storage

30. Which type of IP address is typically used within a local network and not accessible from the internet?

- a) Public IP
- b) Private IP
- c) Dynamic IP
- d) Static IP

**ANSWER THE FOLLOWING VERY SHORT ANSWER QUESTIONS [10M]  
EACH QUESTION CARRIES 1 MARK**

1. Write any two differences between industry and commerce?
2. Define modern business?
3. Define partnership?
4. What is one person company?
5. What is plant location?
6. Write any two factors influencing business unit size?
7. What is mergers?
8. Write any two difference of rationalization and nationalization?
9. what is the role of motherboard in a computer system?
10. Explain the role of DNS server in networking?

**ANSWER THE FILL IN THE BLANKS [10M]  
EACH QUESTION CARRIES 1 MARK**

1. In \_\_\_\_\_ stage entrepreneurs develop their business ideas
2. The primary goal of business organization is to make \_\_\_\_\_
3. OPC first introduced in india in the year \_\_\_\_\_
4. A joint stock company issues \_\_\_\_\_ to its shareholders representing their ownership in the company
5. Access to resource such as \_\_\_\_\_ an affect the size of the business
6. Proximity to \_\_\_\_\_ is a crucial consideration in plant location
7. A \_\_\_\_\_ is a group of companies that combine their resource to pursue a common goal

8. cost \_\_\_\_\_ is a common goal of rationalization, aiming to reduce expenses and improve profitability
9. The basic unit of digital information storage is the \_\_\_\_\_
10. The world wide web is accessed through software programs called \_\_\_\_\_

**ANSWER THE MATCH THE FOLLOWING [10M]**  
**EACH QUESTION CARRIES 1 MARK**

- |                                   |     |   |
|-----------------------------------|-----|---|
| 1. Legal structure classification | ( ) | a. mergers, acquisitions  |
| 2. Modern business                | ( ) | b. Arrangement of machinery equipment and work space                                      |
| 3. Motherboard                    | ( ) | c. proprietorship, partnership, corporation   |
| 4. Graphic processing unit        | ( ) | d. one person business  |
| 5. Plant layout                   | ( ) | e. entity with limited liabilities  |
| 6. size of business unit          | ( ) | f. limited liability company, public limited, private ltd                                 |
| 7. one person company             | ( ) | g. Business owned and operated by a single individual                                     |
| 8. Soletrader                     | ( ) | h. Collision among business to control price and eliminate competition                    |
| 9. Forms of business combination  | ( ) | i. circuit board connecting various components of a computer                              |
| 10. carteles                      | ( ) | j. determine by factors such as production capacity, market demand and resource available |

**ANSWER THE TRUE OR FALSE [10M]**  
**EACH QUESTION CARRIES 1 MARK**

1. Business ownership implies a separation between person and business finance ( )
2. Digital transformation involves ignoring technological advancements and business process ( )
3. RAM stands for random access memory ( )
4. CPU is also known as a brain of the computer ( )
5. A sole trader is a businessman owned and operated by a single individual ( )
6. A partnership company issue shares of stock to raise capital ( )
7. A merger involves one company involves one company purchasing another ( )
8. Collusion is legal and widely accepted in the business world ( )
9. The choice of plant location has no impact on a company's efficiency and cost ( )
10. A product layout organizes machinery based on the sequence of operation ( )