

GOVT. WOMEN POLYTECHNIC, AJMER (RAJ.)

MODEL CLASS TEST PAPER WITH ANSWERS

PROFESSIONAL MANAGEMENT & ENTREPRENEURSHIP CD-301

निष्पारित समय - 1 घंटा

2018

आवकतम अंक - 15

TIME ALLOWED - 1 HOUR

MAX. MARKS : 15

1. निम्न प्रश्नों के उत्तर दीजिये : (Any Three)
- Answer the following questions :-
- (i) व्यवसाय की चार प्रमुख विशेषताएँ।
Characteristics of Business
 - (ii) उद्योग एवं व्यापार
Industry and Trade
 - (iii) सहकारी संस्थाएँ
Co-operative organisations
 - (iv) पार्टनरशिप की परिभाषा कीजिये। (3x3)
Define Partnerships
2. Business Ethics का महत्त्व एवं अर्थ बताइये।
Give meaning and importance of Business Ethics. (6)

ANSWERS

- Q-1. Characteristics of Business :-
- The salient features of business are as follows :-
- (a) Creation of Utilities - Business makes goods more useful goods from place to place of scarcity to utility place.
 - (b) Deals in goods and services :- Every business produces and buys goods and services for selling them to others. Goods may be consumer goods or producers good eg. bread shoes, raw-material, machinery etc. Services may include transport, ware-housing, banking, insurance etc.
 - (c) Continuity in dealings :- This feature effects the regularity of dealings in goods and services to satisfy needs and wants of the consumers.
 - (d) Sale, transfer or exchanges :- Any type of business or organization that fulfils itself through marketing a product or service is a part of business characteristic.
 - (e) Profit motive :- The primary aim of business is to earn more and profit through fair and legal means of business.
 - (f) Economic Activity :- Business is primarily an economic activity which involves production and

(2)

distribution of goods and services for earning money and to strengthen the economic condition of the nation.

Art as well as Science:- Business is an art because it needs personal skills and experiences, it is also a type of science as it is based on certain principles and laws.

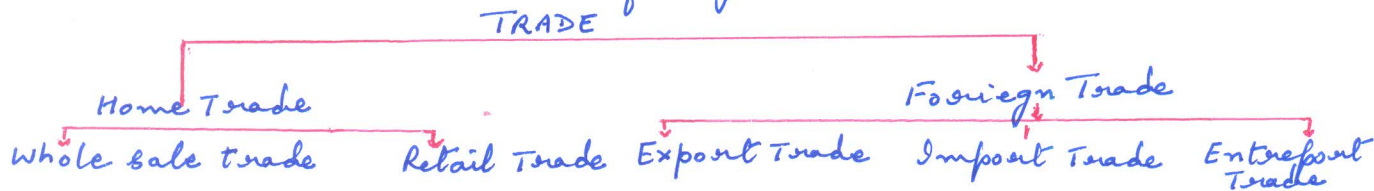
(ii) Industry & Trade:-

Industry may be defined as the production of goods for sale with the application of human and mechanical power. It involves extraction, construction and manufacturing of various types of goods. These are of two types - Primary and Secondary.

Primary Industries - includes agriculture, mining, breeding of plants and animals, fishing and forestry. These industries are also known as production industries.

Secondary Industries:- converts and manufactures raw material and semi-finished products and goods into finished components. These also includes constructive type of works as, building houses, dams, fly-overs etc.

Trade:- is the process of purchasing and procuring of goods and services with the object of selling them for profit. Trade serves as the link between producers and consumers with the equitable distribution of goods. The objective of trade is to make goods and services available to those persons who need them and are able to pay willingly for them. Trade may be classified in home trade and foreign trade.



(iii) Co-operative Organisations:- The International Labour Organisation has defined a co-operative society as "an association of persons usually of limited means, who have voluntarily joined together to achieve a common economic end through the formation of democratic set-up and controlled organisation, making equitable contributions to the capital required and accepting a fair share of risks and benefit undertakings featuring voluntary association, open membership, legal entity, one man one vote, service motive, common interest, spirit of co-operation and control of state rules and regulations.

(iv) Define Partnership:- it may be defined as a voluntary association of two or more persons who have agreed to share profits of a law-ful business carried on by all or any one of them acting for all. The essential features of partnership included:-

- (a) Two or more persons - at least two person not more than 10 except banking business.
- (b) Agreement :- An oral or written agreement which satisfy the partners for a valid contract.
- (c) Law-ful business :- it can only be formed to carry law-ful business with equal share of profits.
- (d) Sharing of profits - equal distribution of profits among the partners
- (e) Utmost good faith :- The relations between partners are based upon mutual trust and confidence.
- (f) Unlimited Liability :- Every partner is jointly and respect fully liable to an unlimited responsibility for the successful running of business.

Q-2. Meaning of word Business Ethics:-

This word is derived from the greek word 'ethos' which means character, ideals and standards of behaviour. Every occupation has its own ethics for eg. medical ethics, legal ethics, accounting ethics, business ethics etc. Business ethic sounds meaningful only when they are understood with reference to the decisions and actions of individuals in a particular field of activity. Ethics defines what is right and what is wrong in human behaviour in terms of norms, ideals and morals of the society which includes various aspects for the society, social values, work ethics and goals of the organisation.

Importance of Business ethics:- Importance of business ethics can be understood as follows:-

- (a) Business-man are responsible for the welfare of the society
- (b) Modern society is an industrial society and business values to a large extent affect the goals of a common-man.
- (c) If a business adopts unethical practices it can lose the power and prestige it enjoys in society
- (d) A healthy business can be developed only when business values are in harmony with social values which comprises business ethics elements as top-management commitment, code of ethics, compliance mechanisms, employee involvement and regular monitoring.

Thus business ethics, therefore, involves critical evaluation of human actions to determine whether they are right or wrong in terms of law, truth and justice.

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