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Name :- Shaikh Iram Moin
Std :- 11th Div :- A Date :- 19/04/21
Subjects :- OC&M.

Q1.A]

1] A joint stock company is an artificial person created by law.

2] Changes in ruling government is an aspect of political ~~eco~~ environment.

3] Management is dynamic.

4] A government company is a Legal entity separate from the government.

5] Common seal acts as a signature of the company.

B]

1] Partnership agreement may be oral or written :- True.

2] Dr. Mohammad Yanus is known as the father of 'Rural Banking' :- True.

3] Departmental organisation performs its all activities separately from government :- False.

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4] Middle level management forms policy of an Organization :- True

5] There is no benefit of privitization to Indian economy :- False.

C]

1] → Privitisation.

2] → Departmental Organization.

3] → Management.

4] → Middle level.

5] → SIDBI Startup Mitra

Q2.

1] → Sole Trading Concern	Joint Stock Company
1] It is owned & controlled by one person. ~~2] It has only one member~~	1] It is an incorporated association of individuals for profit having capital divided into transferable share, the ownership of which is the condition of membership.
2] It has only one member.	2] It has private company Minimum - 2 & maximum - 20 & for public company it has minimum - 7 & there is

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	no limit of maximum member.
3] It does not need registra-tion	3] It has compulsory registra-tion.
4] There is maximum secrecy due to one owner.	4] Less business secrecy due to many owners.
5] Liability of sole trader is unlimited.	5] Liability of shareholders is limited up to the extent of unpaid amount on shares held by them.
6] A sole trader is the only manager of his business.	6] Board of Director looks after the management of the company.

2]→

Departmental Organisation	Government Company
1] The Organisation which is owned, managed, controlled, financial & operated by government is known as Departmental organisation	1] Any company where minimum 51% of the paid up capital is held by central or state Government jointly or individually is known as Government Company.
2] The required funds come from annual budget appropriation of the government.	2] The capital of government company is contributed by central & state government & by general public & financial institution.

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3] The Departmental undertaking is managed by government officials of the Concern ministry.	3] The government Company is managed by board of directors appointed by government & Shareholders.
4] The Departmental undertaking is controlled by concerned ministry.	4] The Government companies are controlled by government or Shareholders by following the provision of companies Act.
5] The Departmental undertaking is formed under concerned ministry.	5] Government companies are formed & registered under the provision of companies Act 2013.

3] ->

Departmental Organisation	Statutory Corporation
1] The Organisation which is owned, managed, controlled, financed & operated by government is known as Departmental Organisation.	1] The organisation which is formed under a special Act of Parliament or State legislature is known as statutory Organisation.
2] The required funds come from annual budget appropriation of the Government.	2] The Capital is contributed by the government at the time of establishment. Additional capital if required can be contributed by the government.

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3] The departmental undertaking is managed by government officials of the concerned ministry.	3] Statutory corporation is managed by board of directors nominated by the government.
4] The Departmental undertaking is formed under concerned ministry.	4] The Statutory corporation is established by special Act of the Parliament or state legislature.

Q3.

1] Describe any five types of Partners

→ 1] In partnership business according to nature of work or role of partners there are different types of partners are as follow :-

i] Active partner :- The partner who takes active part in the day to day activities of the business. An active partner may work in different capacities such as manager, organizer, advisor & controller etc. an active partner shall contribute in the capital of the business & his liability is unlimited.

ii] Dormant partner :- The dormant partner contributes to capital, share profits & contributes in case of losses, but does not takes active part in the day to day activities of the business. The dormant partner have money to invest but he may not have time to devote in the business.

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iii] Quasi Partner :- The partner who is retired from firm but left his capital with the firm is known as quasi partner. This partner does not take active part in the business but shares profits of the business. Sometimes he gets certain interest on his capital.

iv] Secret partner :- The secret partner is not known to third parties that he is partner in the firm. The secret partner contribute to capital, shares profit & losses & can take part in the day to day activities of the business.

v] Sub-partner :- When a partner agrees to share his share of profit in the firm to a third person, the third person is called as sub-partner.

2] Government Company :-

→ 1] The company of which minimum 51% of paid up share capital is held by the central government or any state government.

2] It can be partly by central & partly by one or more state governments is known as government company.

5] The shares of the government company are purchased in the name of president or in the name of governor of state.

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3] Features of Joint Stock Company.

→ 1] According to companies Act, 2013, section 2 (20) :- The term "company" means company incorporated under companies Act 2013 or any previous company law.

2] Some of the features of Joint Stock Company:-

i] Voluntary Association :- Any person from ~~only~~ any part of the society can become a member in the joint stock company. There is no restriction on transfer of the shares.

ii] Registration :- The company is incorporated under the companies Act 2013 hence the registration of the Company with registration of companies is mandatory.

iii] Registered Company :- The memorandum of association of the company contains the address of the registered office of the company all the important documents are kepts at the registered office of the company.

iv] Artificial legal person :- The Company is an artificial person created by law. It can enter into contracts with third parties on its own name after the registration is completed. e.g. company can buy or sell asset, open account in bank etc.

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v] Separate legal status :- A joint stock company is a separate legal ~~acti~~ intity apart from its members. hence it is a distinct person in the eyes of law.

vi] Common Seal :- Though being an artificial person, Company does not have physical existence like human beings. In order to sign a Contract company shall ~~to~~ use a common seal as its signature.

Q4.

1] ~~Mano~~ MNCs helps to end local monopolies
→ Correct.

1] Multinational Corporation (MNCs) helps to end local monopolies.

2] Multinational Corporations lead to competition in the host countries.

3] Local monopolies of host countries either start improving their products or reduces their prices.

4] It also compit with domestic companies to improve their efficiency & quality.

2] Management is not a continuous process
→ Incorrect.

1] Management is a continuous process. It's a never ending process.

2] Due to management there will be a balance & quality in the process of work.

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5] It is concerned with constantly identifying the problem and solving them by taking adequate steps.

Q5.

1] → 1] Statutory Corporation is an autonomous corporate body created by the special Act of the parliament or state legislature with defined powers, functions and duties.

2] Some of features of statutory Corporation are as follow :-

i] Corporate body :- Statutory Corporation is an artificial person created by law. It is managed by the board of Directors constituted by the government. A Corporation has right to enter into contracts & can take any kind of business for operations.

ii] Answerable to the legislature :- A statutory Corporation is answerable to parliament or state assembly whomsoever creates it. Parliament has no right to interfere in the working of statutory Corporation.

iii] Own staffing system :- Though the government own these organizations the employees are not government servants. Employees are recruited, remunerated & governed as per rules ~~but~~ set by the organization.

iv] Financial autonomy :- Financial autonomy is the independence in the financial decisions. It is not subject to the subject accounting and audit controls of the government.

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v] No political interference :- A statutory Corporation comes into existence by following particular act or statute hence there is no political interference in the organization.

2] → i] There are various forms of business organisa-tion worldwide, but this unique form of business is originated in India. It exists in India only. It is known as hindu undivided family business (HUF).

2] Some of features of Joint hindu family Business are follow :-

i] Exists only in India :- The joint Hindu Family business exists only in India. It is guided by "Hindu Succession Act, 1956."

ii] Formation :- The formation of hindu undivi-ded family business is easy. It is formed as per operation of hindu law. The Senior most member is called as "KARTA" & other member are called as "co-parceners"

iii] Membership :- There is no limit on membership in the HUF. One may become member by virtue of birth, legal adoptio or marriage in the family.

iv] Joint ownership :- The property of the HUF jointly owned by KARTA & all co-parceners. The business is jointly owned by ~~three~~ three generation.

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v] Good Credit standing :- The HUF business is run by generations of the family hence it enjoys goodwill in the market. The liability of KARTA is unlimited hence financial institutions are ready to give loans.

vi] Managment :- The KARTA is the manager of the HUF. The co-parceners have no right to take the participation in the managment of the business. KARTA may consult with other co-parceners before taking any decision.

vii] Profit Sharing :- HUF business is not formed under any contractual agreement. There is no specific ratio of profit & losses shared by KARTA & co-parceners.

5] > 1] According to Prof J.L Hansen, "sometimes known as one man business", it is a type of business unit where no one person is solely responsible for providing the capital for bearing the risk of the enterprise and for risk of ownership.

2] Here are some of its merits as follow :-

1] Easy formation :- The formation of sole trading concern is very easy & simple. Minimum legal formalities are required for its formation.

2] Quick decision :- As sole trader is the sole person to own & manage the business he does not need to consult anyone before taking

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any decision & hence he can take quick decision and get more benefits.

3] Maximum secrecy :- As sole trader is the sole owner of the business so he may not disclose his business plans with any third person. So maximum secrecy can be maintained.

4] Direct motivation :- Sole trader is the owner & manager. He enjoys the whole profit of the business. He has direct motivation to earn more profit. He always try to ~~to~~ earn more profit.

5] Flexibility :- Being the sole owner & decision maker of the business sole trader can make quick changes as per situations. He may change his line of business any time.

6] Lower cost :- Sole trader always tries to lower his cost in order to maximize his profit by minimizing wastages.

7] Efficiency :- A sole trader enjoys all the profit of the business as well as he has to bear all the losses which the business may incur. Hence he tries to maximize his profits by increasing efficiency.

Q6.

Q6.

1] → 1] Finance is the lifeblood of the business. The success of the business depends largely on the efficient managements of finance. It is very difficult to raise risk. Hence many governmental institutions helps these business. Organizations to start or run the business

2] Some of the features of SIDBI are as follow:-

1] Financial Institution for promotion of MSMEs :- SIDBI is established to provide short term & long term finance to the MSMEs it Co-ordinates the functions companies to increase ~~simpl~~ supply of credit to MSMEs. SIDBI also lend money directly to MSMEs. It cater to the specific needs to India MSMEs that are not fulfilled through traditional sources of finance.

2] Substainable Development :- SIDBI is working towards substainable development of MSMEs in India. It promotes culture of energy efficient & substainable finance. SIDBI's focused lending schemes promotes investment in clean production & energy efficient technologies. It helps to reduce the emission of greenhouse gases to contribute towards reduction in pollution.

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5] Advisory function :- SIDBI also works as adviser & mentor for MSMES. It helps MSMEs in expanding marketing channels for the products both in the domestic as well as international markets. It also initiates steps for modernization & technological upgradation of current units.

4] Achievements & national goals :- SIDBI's initiatives help in poverty reduction & employment generation through financing MSMES. It helps new enterpreneurs to develop themselves. It promotes women & weaker sections of the society for opportunities in semi-urban areas & reduce migration of people from village to urban areas.