Business, Trade and Commerce

Standard difficulty · 20 questions · 40 marks · Time: 39 minutes

Name: _____ Date: _____ Score: ____ / 40

Show your working for Sections B and C. Answers are on the last page — try every question first!

Section A — Choose the correct answer — 8 × 1 = 8 marks

1. An economic activity carried on regularly to earn profit by producing or exchanging goods and services is:
   (a) employment **(b)** charity **(c)** profession **(d)** business

2. What is meant by “industry”?
   (a) activities that produce or process goods
   (b) the chance of low profits or losses from uncertain events
   (c) importing goods in order to export them again
   (d) buying and selling of goods

3. A farm breeds cattle and sells the calves. What kind of industry is this?
   (a) assembling **(b)** construction **(c)** extractive **(d)** genetic

4. Which auxiliary to trade removes the hindrance of finance (traders need funds)?
   (a) insurance **(b)** transport **(c)** banking **(d)** advertising

5. It gives workers fair pay and a safe workplace to keep them willing. Which objective of business does this show?
   (a) manager performance and development **(b)** productivity
   (c) use of resources **(d)** worker performance and attitude

6. Which of these is a business risk arising from natural causes?
   (a) Heavy rain spoils a crop that a mill was to buy.
   (b) Demand falls as fashions change.
   (c) Careless handling by staff breaks costly goods.
   (d) A rival cuts its prices sharply.

7. Which of these is an example of business?
   (a) a worker paid wages in a factory
   (b) an architect designing houses for clients
   (c) a driver employed by a transport company
   (d) a trader exporting tea

8. Which of these is an example of internal trade?
   (a) A shop in Pune buys toys from a factory in Mumbai.
   (b) A trader imports dates from one country and sends them on to another.
   (c) A firm imports machine parts only to re-export them.
   (d) A carpet maker ships carpets to a foreign buyer.

Section B — Short answer — 8 × 2 = 16 marks

9. What is meant by business?

10. Explain each term: (a) auxiliaries to trade (b) business risk

11. Name the kind of industry in each case. (a) A plant combines several chemicals to make soap. (b) A company builds a dam and canals.

12. Which auxiliary to trade helps in each case? (a) A trader stores woollens bought in summer to sell in winter. (b) A firm puts up hoardings to tell people about its new cooler.

13. Is each a business, a profession or employment? (a) a person running a bakery (b) a doctor running a clinic

14. Name the kind of trade in each case. (a) A shop in Pune buys toys from a factory in Mumbai. (b) A carpet maker ships carpets to a foreign buyer.

15. Distinguish between business, profession and employment on the basis of (a) capital investment (b) risk.

16. Which objective of business does each firm show? (a) It makes full use of its land, machines and funds. (b) It wants a bigger share of the market for its pens than its rivals.

Section C — Word problems — 4 × 4 = 16 marks

17. Explain the classification of industries with examples.

18. Match each with its meaning: (a) business risk (b) industry (c) auxiliaries to trade. Choose from: the chance of low profits or losses from uncertain events; activities that produce or process goods; services such as transport, banking and insurance that support trade.

19. Read about Shubh Footwear. (a) It makes full use of its land, machines and funds. (b) It aims to earn enough surplus to fund its growth. (c) It trains its supervisors for higher posts. Identify the objective of business in each part and explain it briefly.

20. Akash Plastics faced these events in one year: (a) A flood washes away a warehouse. (b) Heavy rain spoils a crop that a mill was to buy. (c) Careless handling by staff breaks costly goods. Classify the cause of each business risk. Why is risk said to be an essential part of every business?

Want another sheet on this chapter? In the Ambiful Worksheets app every sheet is new, with its answer key, and your child never gets the same question twice.

Scan the code to get the free app, or open **worksheets.ambiful.com/get**

Answer key

Business, Trade and Commerce · AW-11BS-BTC-2026-V1 · For parents — fold back or tear off before handing the sheet to your child.

Q	Answer	Working
1	(d) business	—
2	(a) activities that produce or process goods	—
3	(d) genetic	—
4	(c) banking	—
5	(d) worker performance and attitude	—
6	(a) Heavy rain spoils a crop that a mill was to buy.	—
7	(d) a trader exporting tea	—
8	(a) A shop in Pune buys toys from a factory in Mumbai.	—
9	An economic activity of producing or buying and selling goods and services, carried on regularly to earn profit.	—
10	(a) services such as transport, banking and insurance that support trade (b) the chance of low profits or losses from uncertain events	—
11	(a) synthetical (b) construction	—
12	(a) warehousing (b) advertising	—
13	(a) business (b) profession	—
14	(a) internal trade (b) export trade	—
15	(a) business: as needed by the size of the business; profession: limited, for an office; employment: none (b) business: profits are uncertain and risk is high; profession: fees are fairly regular; employment: fixed and regular pay	—
16	(a) use of resources: acquiring and using physical and financial resources well (b) market standing: its position in the market compared with competitors	—
17	Primary (extractive: mining; genetic: poultry), secondary (manufacturing: analytical, synthetical, processing, assembling; construction: roads,	—

Q	Answer	Working
	bridges) and tertiary (support services such as transport and banking).	
18	**(a) the chance of low profits or losses from uncertain events (b) activities that produce or process goods (c) services such as transport, banking and insurance that support trade**	—
19	**(a) use of resources: acquiring and using physical and financial resources well (b) earning profits: a surplus over costs, needed to survive and grow (c) manager performance and development: building and motivating managers for future roles**	—
20	**(a) natural causes (b) natural causes (c) human causes. Business deals with an uncertain future, so some risk always remains; profit is the reward for bearing it.**	natural: forces of nature; human: people's acts or mistakes; economic: changes in demand, prices or competition