

National Institute of Open Schooling
Senior Secondary Course: Business Studies
Lesson 5: Forms of Business Organisation
Worksheet-5

1. The market in your vicinity is limited, localised and customers give importance to personal attention. Your friend wants to start a grocery shop there. Which form of business organisation would you suggest him and why? Explain its merits and limitations.
2. Pradhan wants to expand his factory but arranging funds is challenging for him. He fears taking loan from bank. So he is planning to join hands with someone so that resources and work can be shared. This involves going into a partnership. Explain the nature, merits and limitations of partnership before he makes a decision.
3. Cooperative society is a voluntary association of persons who work together to promote their economic interest. If the students of your society join together for forming a cooperative society, what would it be and how would it benefit the society?
4. A cooperative society is different from other forms of business organisations. Describe its characteristics that make them different from other forms of business organisations.
5. Cooperative societies can be classified on the basis of nature of services rendered by them. Write a short note on main types of cooperative societies giving one example each.
6. Your friends in the society want to form a cooperative society. What advantages and limitations would you tell them before they start? Explain in detail.
7. It is always advisable for partners to have a written agreement before they get into a partnership. Describe its contents.
8. You as a Joint Hindu Family are engaged in a trading business. Your younger brother is inquisitive to know more about the family business. Explain the characteristics of HUF.
9. Partners can be classified into various categories based on liability, nature of participation, sharing of profits and conduct exhibited. Elaborate.
10. Select a business that you would like to undertake and choose the form of business organisation for performing the business. Justify your answer.