

## Assignment -6: Partnership

1. The most important element in Partnership is:  
(a) Business (b) Sharing of Profit  
(c) Agreement  
(d) Business to be carried on by all or any of them acting for all
2. The maximum number of partners is mentioned in -  
(a) The Partnership act  
(b) The General Clauses Act  
(c) The Companies Act  
(d) The Registration Act
3. In the absence of agreement to the contrary all partners are:  
(a) Not entitled to share profit.  
(b) Entitled to share in Capital Ratio  
(c) Entitled to share in proportion to their ages  
(d) Entitled to share profit equally
4. A minor is \_\_\_\_  
(a) A partner of a firm  
(b) Representative of the firm  
(c) Entitled to carry on the business  
(d) Entitled to the benefits of the firm
5. Active partner is one who:  
(a) Takes part in business  
(b) Not taking part in business  
(c) Both a & b  
(d) Neither A nor b
6. Every partner has the right to:  
(a) Take part in the business (b) Pay taxes  
(c) To use the property of the firm for personal purposes  
(d) None of these
7. Each of the Partner is \_\_\_\_  
(a) Principals as well as agent (b) Only agent  
(c) Only Representative (d) Only Co-partners
8. A partner can retire on \_\_\_\_  
(a) Reaching the age of 65  
(b) On the balance in the capital A/c reacting a certain account  
(c) In accordance with the Partnership deed  
(d) On the condition of his nominees becoming a partner
9. Death of partner has the effect of \_\_\_\_  
(a) Dissolving the firm  
(b) Result is continuance of the business  
(c) Joining the firm  
(d) Computation of Profit
10. Registration of a firm is \_\_\_\_  
(a) Compulsory (b) Optional  
(c) Occasional (d) None of these
11. A new partner can be admitted in the firm with the consent of \_\_\_\_  
(a) All the partners (b) Simple majority  
(c) New partners only (d) None of these
12. A Partner may retire from an existing firm -  
(a) With consent of all partners  
(b) as per express agreement  
(c) by written notice in partnership at will  
(d) All of the above
13. A partnership firm is compulsory dissolved where \_\_\_\_  
(a) All partners have become insolvent  
(b) Firm's business has become unlawful  
(c) Fixed term has expired  
(d) (a) & (b)
14. A partner may apply to the court for dissolution of firm?  
(a) Insanity of a partner  
(b) Misconduct of a partner  
(c) Perpetual losses in business  
(d) All of the above

## Solutions: Partnership

1. (d): Business to be carried on by all or any of them acting for all
2. (a): The Partnership act
3. (d): Entitled to share profit equally
4. (d): Entitled to the benefits of the firm
5. (a): Takes part in business
6. (a): Take part in the business
7. (a): Principals as well as agent
8. (c): In accordance with the Partnership deed
9. (a): Dissolving the firm
10. (a): Compulsory
11. (a): All the partners
12. (d): All of the above
13. (d): (a) & (b)
14. (d): All of the above

