

ATUL VIDYALAYA
SECOND PRELIMINARY EXAMINATION 2012-13
COMMERCE

STD: XII
DATE: 04/12/2012
SESSION: I

MM: 100
TIME: 3 hrs

*(Candidates are allowed additional 15 minutes for only reading the paper.
They must NOT start writing during this time)*

*Answer Question I from Part I and seven questions from part II.
The intended marks for questions or parts of questions are given in brackets [].*

PART I (30 Marks)
Answer all questions

Question 1 **[30]**

Answer each of the following questions briefly:

- i. Why has joint stock company form of business become so popular?
- ii. Give two privileges of a private limited company?
- iii. What are the two ways in which a company can be promoted?
- iv. What does the capital clause of memorandum of association contain?
- v. Briefly describe a statutory company.
- vi. What is a prospectus?
- vii. What are bonus shares?
- viii. Give two benefits of crossing a cheque.
- ix. Give two sources of long term capital
- x. What is E-Banking?
- xi. What is circulating capital?
- xii. Give one advantage and one disadvantage of public deposit.
- xiii. What is formal communication?
- xiv. Define sales promotion.
- xv. Give two features of advertising.

PART II (70 Marks)
Answer any seven questions.

Question 2

- a) Who is a promoter? What is his role in the promotion of a company? **[5]**
- b) Explain the various stages of promotion of a company. **[5]**

Question 3

- a) What is memorandum of association? Briefly explain its clauses. **[5]**
- b) What is 'certificate of incorporation'? Discuss different documents, in brief, that are required to be submitted to register of companies for incorporation of a public limited company. **[5]**

Question 4

- a) Discuss the factors that influence the choice of channels of distribution. **[10]**

Question 5

- a) Give five differences between equity share and preference share. **[5]**
- b) Discuss five advantages of debentures. **[5]**

Question 6

- a) Discuss the importance of management in an organisation. [5]
- b) Describe the following principles of management. [5]
- i. Division of work
 - ii. Unity of command
 - iii. Esprit de corps
 - iv. Initiative
 - v. Authority and Responsibility

Question 7

- a) Explain the importance of communication. [5]
- b) Give five principles of effective communication. [5]

Question 8

- a) What is marketing? Explain, briefly, its objectives. [5]
- b) Differentiate between “Salesmanship” and “advertising”. [5]

Question 9

- a) Discuss the characteristics of a Joint Stock Company. [10]

Question 10

- a) Examine the advantages that the host countries derive from the presence of Multi-National Corporations. [10]