

COMMERCE

(Three hours)

(Candidates are allowed additional 15 minutes for only reading the paper.

They must NOT start writing during this time.)

Answer Question 1 from Part I and seven questions from Part II.

The intended marks for questions are given in brackets [].

PART I (30 Marks)

Answer all questions.

Question 1

[15×2]

Answer briefly each of the questions (i) to (xv).

- (i) Define a Public Limited Company.
- (ii) What is meant by *Discounting of a Bill*?
- (iii) Give *two* disadvantages of written communication.
- (iv) Define the term *market*.
- (v) Give the significance of *Association Clause* of the Memorandum of Association.
- (vi) Give *any two* factors that influence the price determination of a product.
- (vii) What is meant by *Cumulative Preference Shares*?
- (viii) Explain *Joint Venture* in relation to multinational corporations.
- (ix) State *any two* differences between *savings deposit* and *fixed deposit*.
- (x) Mention the steps involved in the *organising* function of management.
- (xi) State *any two* features of 'labelling' in relation to marketing.
- (xii) What is *Certificate of Commencement*?
- (xiii) What is Economic and Non-economic environment of business?
- (xiv) Expand the terms:
 - (a) AIDCAM
 - (b) EXIM Bank
- (xv) Explain *management* as a group.

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PART II (70 Marks)
Answer any seven questions.

Question 2

- (a) Explain *any four* advantages that host countries derive from multinational corporations. [4]
- (b) Discuss *any six* privileges enjoyed by a Private Limited Company. [6]

Question 3

- (a) Why should businesses assume social responsibilities? Give *any four* reasons in support of your answer. [4]
- (b) Discuss *any six* responsibilities of a business concern towards the consumers. [6]

Question 4

- (a) Distinguish between *bonus shares* and *right shares*. [4]
- (b) Define *debentures*. Describe *any four* types of debentures. [6]

Question 5

Briefly discuss *any five* principles of management as formulated by Fayol. [10]

Question 6

- (a) Discuss *any four* advantages of using e-mails as a device of business communication. [4]
- (b) Distinguish between *informal communication* and *formal communication*. [6]

Question 7

- (a) Describe *any four* objectives of advertisement. [4]
- (b) What is *marketing mix*? Explain the elements of marketing mix. [6]

Question 8

- (a) Explain *any four* advantages of borrowing funds from financial institutions. [4]
- (b) Explain *any six* advantages of investing in mutual funds. [6]

Question 9

- (a) What is the significance of *Articles of Association* for a Joint Stock Company? Give *any three* contents of the Articles of Association. [4]
- (b) Explain *any six* qualities of a good salesman. [6]

Question 10

Write short notes on:

- (a) Audio-visual media of advertisement. [3]
- (b) Ploughing back of profits. [4]
- (c) Technological environment of a business concern. [3]