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**Part III — COMMERCE**

( English Version )

Time Allowed : 3 Hours ]

[ Maximum Marks : 200

**SECTION - A**

N. B. : i) Answer all questions.

ii) All questions carry equal marks. 40 × 1 = 40

I. Choose the correct answers and write them in your answer-book :

1. Which of the following is not the characteristic of sole proprietorship ?

- a) Single ownership                      b) One man control  
c) Whole profit to proprietorship      d) Non-flexibility.

2. Sole trading business can be started by

- a) at least two persons  
b) at least seven persons  
c) any one person.

3. The liability of sole trader is

- a) limited only to his investment in the business  
b) limited to total property of the business  
c) unlimited.

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4. A partnership firm may be registered under

- a) 1949 Act
- b) 1956 Act
- c) 1932 Act.

5. A partnership is formed by

- a) agreement
- b) relationship among persons
- c) the direction of government.

6. In partnership there exists a relationship of

- a) principal and agent
- b) owner and servant
- c) employer and employee.

7. A partner who takes active part in the management of the partnership firm is known as

- a) general partner
- b) dormant partner
- c) secret partner.

8. The existence of a company comes to a close

- a) on the death of all its promoters
- b) on the death of all the directors of the board
- c) on transfer of shares by most of its original members
- d) none of these.

9. Which of the following documents defines the scope of a company's activities ?

- a) Memorandum of association
- b) Articles of association
- c) Prospectus
- d) Statutory declaration.

10. Forfeiture refers to confiscation of shares held by a member for non-payment of
- a) application money
  - b) allotment money
  - c) calls due.
11. A director is acting as
- a) Agent of the company
  - b) Trustee of the company
  - c) Chief executive officer of the company
  - d) all of these.
12. The overall maximum managerial remuneration in a public limited company shall not exceed
- a) 11% of net profit
  - b) 11% of paid-up capital and free reserves
  - c) 5% of net profit
  - d) 5% of paid-up capital and free reserves.
13. Any resolution passed by a simple majority is an
- a) ordinary resolution
  - b) special resolution
  - c) resolution requiring special notice.
14. Stock exchange allows trading in
- a) all types of shares of any company
  - b) bonds issued by the Government
  - c) listed securities
  - d) unlisted securities.

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15. The popular method of sale of new shares in India is
- a) public issue
  - b) offer for sale
  - c) managing brokers
  - d) underwriting.
16. Joint stock companies require
- a) huge capital
  - b) small capital
  - c) no capital.
17. Co-operative society can be started
- a) only at villages
  - b) in towns and villages
  - c) only in cities
  - d) only in urban areas.
18. In a co-operative society, the shares of a member
- a) can be transferred
  - b) can be repaid
  - c) cannot be repaid
  - d) none of these.
19. Public can also subscribe to the share capital of
- a) public corporation
  - b) departmental undertaking
  - c) government company
  - d) none of these.

20. The basic objective of a co-operative society is to
- earn profit
  - organise some essential service for the benefit of its members
  - organise essential service to the community
  - arrange for enough of quality goods for the community.

II. Fill in the blanks :

21. The size of sole trading concern is .....
22. Public corporation is known as ..... corporation.
23. The profit and loss of a partnership firm is shared in the ..... among the partners.
24. The maximum number of members in non-banking firm is .....
25. To avoid any misunderstanding among the partners in future, it is desirable to have the partnership deed in .....
26. The minimum number of members in a public limited company is .....
27. The minimum number of members in a private company is .....
28. When a company has issued shares of Rs. 6,000 each only, the minimum number of qualification shares that a director should hold is .....
29. When shares are issued at a price less than its face value, it is called issue of shares at a .....
30. The shareholders are the real ..... of the company.
31. A person appointed to attend a meeting on behalf of a shareholder is known as .....

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32. When a proposal placed before the meeting is passed by the meeting, becomes a .....
33. Primary market is concerned with .....
34. .... enables small investors to participate in the investment on share capital of large companies.
35. Listing is ..... for public companies.
36. The father of co-operative movement was .....
37. Division of work is called .....
38. Public corporations are created by ..... of Central or State Government.
39. The oldest form of public enterprise is .....
40. A sole tradership is the ..... form of business organisation.

**SECTION - B**

N. B. : i) Answer any *ten* questions.

ii) Answer to each question should not exceed *four* lines.

iii) All questions carry *equal* marks.

$10 \times 4 = 40$

41. Define organisation.
42. State the meaning of Board Organisation.
43. What is unlimited liability ?
44. Define partnership.

45. What is a partnership deed ?
46. Define a private limited company.
47. What do you mean by a foreign company ?
48. What is a statutory meeting ?
49. How is the voting right in a company exercised ?
50. What is prospectus ?
51. Who is an investor ?
52. What is meant by one man one vote ?
53. What is a patronage dividend ?
54. Define a government company.
55. Give four examples of public corporation.

### SECTION - C

N. B. : i) Answer any *five* questions.

ii) Answer to each question should not exceed *one* page.

iii) All questions carry *equal* marks.

5 × 8 = 40

56. Write short notes on Joint Hindu family business.
57. Explain the position of minor in the partnership firm.
58. Briefly explain the features of the company form of organisation.
59. What is Memorandum of Association ? What are its contents ?

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60. Enumerate the contents of a statutory report.
61. Differentiate between investors and speculators.
62. State the meaning of co-operative supermarket and explain its features.
63. What are the features of a public corporation.

**SECTION - D**

N. B. : i) Answer *all* the questions.

ii) Answer to each question should not exceed *two* pages.

iii) All questions carry *equal* marks.

4 × 20 = 80

64. Explain briefly the principles of organisation.

OR

Discuss the features, merits and demerits of the departmental organisations.

65. Discuss the merits and demerits of sole trading form of business.

OR

Discuss briefly the different kinds of companies.

66. What are the advantages and disadvantages of partnership firm ?

OR

Define stock exchange. Explain its characteristics and functions.

67. Briefly explain the functions and duties of directors.

OR

Distinguish between the Joint Stock company and Co-operative society.