

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 (Compulsory)

Question 1

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

[15 × 2]

- (i) What is the role of Table-A in a company formation?
- (ii) What is a company limited by guarantee?
- (iii) How significant is a common seal to a company?
- (iv) Under which circumstance can a Public Limited Company file a statement in lieu of a Prospectus?
- (v) Mention *any two* functions of a Promoter.
- (vi) When is a Director appointed by the Central Government and what is his tenure?
- (vii) Mention *two* drawbacks of ploughing back of profits from the Shareholders view point.
- (viii) Mention *two* specific advantages to a company from the issue of Debentures.
- (ix) What is meant by **Order** as a Principle in Fayol's management?
- (x) Expand the terms:-
 - (a) SFC
 - (b) ICICI

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- (xii)
- (xiii) State any four sources of short term finance for a joint stock company.
- (xiv) How different is *Sales Promotion* from *Advertisement*?
- (xv) Mention *four* steps in Personal Selling.

PART II

Answer any **seven** questions.

Question 2

- (a) State and briefly explain *any four* key documents to be filed with the Registrar, for incorporating a Public Limited Company. [4]
- (b) Mention any four contents of a Prospectus. Explain how a prospective investor can judge the soundness of a company. [6]

Question 3

- (a) Examine the statutory duties and rights of Company Directors. [8]
- (b) How is the remuneration payable to Directors determined? [2]

Question 4

- (a) What are open ended Mutual Funds? [4]
- (b) Examine any four dominant factors determining the amount of fixed capital requirements for a business. [6]

Question 5

- (a) Why are participating Preference shares so called? [4]
- (b) Bring out the distinction between the Principles of *Taylor* and *Fayol*. [6]

Question 6

Examine any *five* advantages that the host countries derive from the presence of Multinational Corporations. [10]

Question 7

Examine and identify the factors that obstruct free flow of communication. Suggest feasible steps to overcome them. [10]

Question 8

- (a) Enumerate the advantages which flow from outdoor Advertising. [4]
- (b) Define sales promotion as an element of Promotion mix, highlighting its objectives. [6]

Question 9

- (a) Distinguish publicity from advertisement. [4]
- (b) State *three* merits and *three* demerits of raising finance through the issue of equity shares. [6]

Question 10

Write briefly on:

- (a) Minimum subscription. [3]
- (b) *Direction* as a function of Management. [3]
- (c) Any four agency functions of Commercial Banks. [4]