



ཤེས་རིག་ལྡན་ལག་།  
 མུ་ཉི་ག་ཐང་འབྲིང་རིམ་སློབ་གྲྭ་ཤོང་མ།



**MOTITHANG HIGHER SECONDARY SCHOOL THIMPHU THROMDE**

“Every child is **inspired** to learn and **empowered** with **wisdom** to excel in life”

**MID TERM EXAMINATIONS, 2019**

**COMMERCE**

**Class: XII**

**Date:**

**Name: ..... Roll No. .... Class: ..... Sec: .....**

**Reading Time: 15 mins**

**Writing Time: 3 hours**

**Full marks: 100**

Invigilator’s initial

Question	For Teacher’s Use Only																Grand Total			
	Section A	Section B																		
	I	II		III		IV		V		VI		VII		VIII		IX		X		
		a	b	a	b	a	b	a	b	a	b	a	b	a	b	a		b	a	b
Marks																				
Award																				
Teacher’s initial																				
Total Marks Awarded																				

**READ THE FOLLOWING DIRECTIONS CAREFULLY:**

1. Do **not** write for the first **15 minutes**. This time is to be spent reading the questions
2. After having read the questions, you will be given **three hours** to answer all questions.
3. This paper comprises of **TWO SECTIONS**, Section A for **WRITING** and B for **LANGUAGE**. There are **four** questions.
4. Read the directions to each question carefully and write **all** your answers in the answer sheets provided.
5. Remember to write **quickly** but **neatly**.

**Section A**

**Answer the following questions**

**(30)**

**Question I**

I. Distinguish between transfer of shares and transmission of shares.

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II. Under what circumstances can the central government appoint a company director?

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III. What is the minimum number of directors required by private and public limited companies?

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IV. What is circulating capital?

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V. Enumerate two factors which bring out the importance of working capital.

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VI. Give one way where debentures score over shares from the point of the company.

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VII. Distinguish between fixed capital and working capital.

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VIII. What is a “company limited by guarantee”?

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IX. Outline two effects of registration of the company with the registrar.

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X. What do you understand by “retirement by rotation”?

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XI. Why do you think investment in preference shares of a company treated as a substitute of a fixed deposit in commercial bank.

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XII. A director of a company was declared insolvent. How can this vacant post be filled up?

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XIII. Differentiate between “Government Company” and “Government Controlled Company”?

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XIV. “Public deposit” is an unsecured deposit. Give two justifications.

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XV. Write two differences between director appointment by Government and director appointment by members.

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**Section B** **Answer any seven question** **(70)**

**Question II**





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**Question III**

- a) A Company proposes to devise a suitable capital structure. What are the factors you would take into consideration to determine such a plan? (5)

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**b. Give five differences between Private Company and a Public limited Company. (5)**

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b) Multinational companies help in the economic growth of developing countries. Do you agree?  
Justify? (5)

**Question V**



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**Question VI**  
a) “Public deposits are considered as a better source of finance for corporate organization” Do you agree? Why? (5)

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**b) How can the directors of a company be removed from their office? (5)**

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**Question IX**

a) One of the sources of getting loans for a business organization is Debentures. Do you considered to be the best? Justify? (5)

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