



ཤེས་རིག་ལྡན་ལག།  
 མུ་ཏིག་ཐང་འབྲིང་རིམ་སློབ་ལཱ་གོང་མ།



**MOTITHANG HIGHER SECONDARY SCHOOL**  
**THIMPHU THROMDE**

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

**TRIAL EXAMINATIONS, 2020**

Commerce

Reading Time: 15 mins

Class: XII Com

Writing Time: 3 hours

Date:

Full Marks: 100

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

Questions	For Teacher's Use Only																				
	PART I			PART II																	
	Q1	Q2		Q3		Q4		Q5		Q6		Q7		Q8		Q9		Q10			
Marks	30	5	3	2	6	4	5	5	5	5	6	4	6	4	5	5	5	5	6	4	
Award																					
Teacher's initial																					
Total Marks Awarded																					

Invigilator's initial

**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 **3 hours** to answer all questions.
3. This paper comprises of **2 Parts**. Answer **Question 1** from Part I and **7 questions** from Part II.
4. The intended marks for questions or parts of questions are given in brackets [ ].
5. Remember to write quickly but neatly.

**PART I (30 MARKS)**

**ANSWER ALL QUESTIONS**

**Question 1**

**Answer briefly each of the following questions:**

- a) Mr. Dorji wants to contest for the post of a Director of A&B Ltd. Write down any TWO qualifications that he needs to possess to qualify for the post. [2]


- b) Is planning vital for a successful conduct of the business? Support your opinion with TWO reasons. [2]


- c) State TWO reasons why management is a group activity. [2]


d) Market research is one of the important functions of marketing. Justify. [2]


e) While recruiting a salesman in your company, what TWO qualities would you look into for the purpose of selection? [2]


f) How is the appointment of a Director by simple majority rule different from that of the system of proportional representation? [2]


g) Explain the term 'Installment Credit'. [2]


h) Your friend Deki wants to invest in one of the companies. Which type of share would you advise her to invest in? Explain giving TWO reasons. [2]


i) A good packaging is very important in marketing. Give TWO requisites of a good packaging. [2]


j) How is retained earning considered as the convenient source of financing? Explain TWO points.

[2]


k) You need to incorporate your new company with the Registrar of the company. What would you do in the first stage of incorporation?

[2]


l) The Coal Company in eastern Bhutan wants to raise additional capital, but it is neither interested in issuing shares and debentures nor in taking loans from the financial institutions. What other sources of capital would you recommend to the company?

[2]


m) Do you think the minimum subscription clause is necessary to start a public limited company? Justify your opinion. [2]


n) You have started an orange export business. Develop a sequence of FOUR marketing functions that you would adopt. [2]


o) List down any FOUR documents necessary for registration of a company. [2]


**PART II (70 MARKS)**  
**ANSWER ANY SEVEN QUESTIONS**

**Question 2**

a. What do you mean by promoter of a company? Describe the FOUR stages involved in the promotion of a company. [5]



b. State THREE objectives of salesmanship.

[3]





c. What type of shares would you prefer to invest in during the times of economic recession? Give ONE reason. [2]


**Question 3**

a. A company can raise its capital either by issuing shares or debentures. You as a financial advisor, which source would you recommend to a company? Justify your recommendation elaborating SIX merit points. [6]

--




b. The following are the various types of debentures:

[4]

- i. Simple Debenture
- ii. Secured Debenture
- iii. Bearer Debenture
- iv. Registered Debenture
- v. Redeemable Debenture
- vi. Irredeemable Debenture
- vii. Convertible Debenture
- viii. Non-convertible Debenture

From the various types of debentures listed above, select any TWO that you would prefer to invest in and another TWO that you would not. Validate with a justification for each.



**Question 4**

- a. Survival or failure of any business depends on the marketing strategies of the enterprise. Describe FIVE importance of marketing for an enterprise. [5]



b. A student was giving his departure speech to his teachers and friends. However, the speech did not make much sense to his audience. Explain any FOUR possible barriers to communication in the above situation. [5]





**Question 5**

- a. Why is management often defined as [5]
- i) an activity?
  - ii) a process?
  - iii) a discipline?
  - iv) an art?
  - v) a science?









**Question 6**

- a. The appointment of a Director differs among various companies. Furnish SIX rules with regards to such appointment system in a government company. [6]



b. Discuss any four types of preference shares which according to you as an investor are the most suitable option to invest? [4]







b. Sonam and Yangki Company Limited prefers public deposit as a source of finance. They invite the deposits from the public by offering higher rate of interest than the interest on bank deposits. Discuss and argue whether it is good source of financing for the company or not? [4]




a. What could be the possible reasons for the Company B performing better than Company A in the market? Mention FIVE reasons.

[5]







**Question 9**

- a. Mr. Dorji is a manager of a company. Whenever he conducts a meeting, it was observed that he talked for the whole time and never gave opportunity for other employees to share their suggestions. Sometimes the message delivered by him was incomplete and vague. Describe briefly any **FIVE** principles of communication that Mr. Dorji needs to comply with for effective communication. [5]



b. “Smooth functioning of an organization depends upon the efficiency of management.” In the light of above statement, explain its functions. [5]






b. Sales promotion influences the attitude, behavior and purchase decision of the customers. Support the statement with any FOUR objectives of sales promotion. [4]


