

**DEPARTMENT OF GOVERNMENT EXAMINATIONS**  
**HIGHER SECONDARY (SECOND YEAR) PUBLIC EXAMINATION – MARCH 2018**  
**KEY FOR COMMERCE – ENGLISH VERSION** **Max.Marks 200**

**PART – A**

**40X1=40**

<b>Choose the correct answer and write the option code and the corresponding answer 20 X 1 = 20</b>			<b>Fill in the blanks 20 X 1 = 20</b>	
1	d	The Board of Directors	21	Public corporation / statutory corporation
2	a	A Joint Stock Company	22	Unlimited
3	d	William R. Basset	23	Sole tradership / Sole proprietorship/ Sole trading
4	c	Quick	24	Joint - venture
5	c	Agreement	25	Sub - partner
6	d	Firm	26	2 (Two)
7	c	Principal and Agent	27	Public
8	b	Immediately on receiving the certificate of Incorporation	28	Cumulative preference shares
9	a	For non payment of call money	29	Owners / Members
10	d	Amount remaining unpaid on the shares	30	5 (Five)
11	b	₹ 5000	31	Annual general meeting
12	d	All of these	32	Debenture
13	d	Bear	33	Prospectus
14	b	Public issue	34	Issue houses/ Brokers/ under writers
15	d	1956	35	Listing
16	c	25	36	21 (Twenty one)
17	b	Amount of patronage given	37	Democratic
18	d	Companies act 1956	38	Co-operative societies
19	a	Public corporation	39	Nationalisation
20	d	Public corporation	40	Private

**PART - B**

**10 X 4 = 40**

<b>Answer any 10 questions</b>		<b>4</b>
<b>41</b>	<b>Co-ordination - Meaning</b>	<b>4</b>
<b>42</b>	<b>Board Organisation –</b> 1. In this organisation management is carried on by a government nominated independent board. 2. It has its own rules and regulations	<b>4</b>
<b>43</b>	<b>Non - corporate enterprises</b> 1. Sole tradership 2. Joint Hindu Family 3. Partnership	<b>4</b>
<b>44</b>	Minimum number of members in the partnership is - 2 Maximum : 1. In the case of banking business – 10 2. In the case of non-banking business – 20	<b>4</b>
<b>45</b>	<b>Dissolution of partnership - Dissolution of Partnership firm</b> 4 X1=4	<b>4</b>
<b>46</b>	1. No allotment shall be made 2. Application money shall be refunded.	<b>4</b>
<b>47</b>	<b>Limited Liability - Meaning</b>	<b>4</b>
<b>48</b>	1. Board of directors/ director on its own 2. Requisition of the members 3. Company Law board	<b>4</b>
<b>49</b>	<b>Statutory report – Meaning</b>	<b>4</b>
<b>50</b>	<b>SEBI - Meaning</b>	<b>4</b>
<b>51</b>	<b>Secondary market</b> Secondary market deals with resale of securities traded in primary market	<b>4</b>
<b>52</b>	1. Co-operative societies are managed on democratic lines 2. Every members has only one vote irrespective of the number of shares held by him.	<b>4</b>

53	<b>Co-operative warehouse</b> 1. These are mostly found in rural areas 2. It helps the members to get the facility of storing agricultural inputs 3. They will keep the finished goods till they are despatched for sale through marketing co-operatives	4
54	A.H. Hansen - Definition S.S.Khera - Definition	(2 x 2=4) 4
55	1. Posts 2. Telegraphs 3. Railways 4. Radio (Any Four )	5. Television 6. Defence Industries 7. Atomic Power 4

**PART – C**

<b>Answer any 5 questions</b>		<b>5 X 8 = 40</b>
56	<b>Joint Hindu family business (Explanation)</b>	8
57	<b>Kinds of partners ( Any 4 with explanation )</b> 1. Active Partner 2. Dormant / Sleeping Partner 3. Nominal / Ostensible Partner 4. Partners in Profit Only 5. Partner by Estoppel 6. Partner by Holding out 7. Sub - Partner 8. Minor as a Partner <b>Note : Give ½ mark for each heading 8x½=4</b>	(4 x2=8) 8
58	<b>Articles of Association : Contents ( Any 8)</b>	(8x1=8) 8

59	<b>Holding and Subsidiary Companies.</b> ( 4 x 2 = 8) A Company becomes a holding company of another 1. If it can appoint or remove all or majority of the directors of the latter company or 2. If it holds more than 50% of the equity share capital of the latter or 3. If it can exercise more than 50% of the total voting power of the latter 4. The other company which is so controlled is called subsidiary company		8
60	<b>Managing Director</b> 1. Managing director is entrusted with substantial power of management 2. Managing director must be a director 3. He can act as managing director in two companies at a time 4. A company can have more than one managing director	<b>Manager</b> (4 x 2 =8) 1. Manager is entrusted with the management of whole of the affairs of the company 2. A manager need not be a director 3. He can act as a manager in only one company at a time 4. A company can not have more than one managing director	8
61	<b>BOLT- Works – With Explanation</b> 4 Marks <b>Strengths of BOLT</b> 4 Marks		8
62	<b>Super Market –</b> Meaning - With Explanation 4 Marks <b>Features</b> 4 Marks		8
63	<b>Features of Government Company</b> 1. Incorporation 2. Government Finance 3. Participation of Public 4. Management 5. Autonomy 6. Employees 7. Control 8. Auditor 9. Accountability		8

**PART – D**

<b>Answer all questions</b>			<b>4 X 20 = 80</b>
64(a)	<b>Multinational Companies - Meaning / Definition</b>	<b>6 Marks</b>	<b>20</b>
	<b>Other Names</b>	<b>3 Marks</b>	
	<b>Features</b>	<b>3x2=6 Marks</b>	
	<b>Examples</b>	<b>5x1=5 Marks</b>	
<b>(OR)</b>			
64(b)	<b>Merits of the Departmental Organisation</b>	<b>5 x 2 = 10</b>	<b>20</b>
	<b>Demerits of the Departmental Organisation</b>	<b>5 x 2 = 10</b>	
	<b>Merits ( Any 5 with Explanation)</b>		
	1. Complete Government Control		
	2. Management		
	3. Source of income for Government		
	4. Helps in implementing Government policies		
	5. Proper use of Funds		
	6. Secrecy		
	7. Useful for Specific industries		
8. Legislative Control			
<b>Demerits ( Any 5 with Explanation)</b>			
1. Excessive Government interference			
2. Shortage of Competent Staff			
3. Centralisation of Powers			
4. Delay and Red - tapism			
5. Inefficiency			
6. Political Changes			
7. Tax Burden to Public			
<b>Note : Give ½ mark for each heading 10 x ½ =5 Marks</b>			

65(a)	<p><b>Characteristics of Sole tradership ( Any 10 with Explanation)</b> <b>(10x2=20)</b></p> <ol style="list-style-type: none"> <li>1. One - man Ownership and Control</li> <li>2. Capital Contribution</li> <li>3. Unlimited Liability</li> <li>4. Enjoyment of Entire Profit</li> <li>5. No Separate Legal Entity</li> <li>6. No Special Legislation</li> <li>7. Registration</li> <li>8. Duration</li> <li>9. Simplicity</li> <li>10. Local business</li> <li>11. Self - Employment</li> <li>12. Small Capital</li> </ol> <p><b>Note : Give ½ mark for each heading 10 x1/2 =5 Marks</b></p>	<b>20</b>
<b>(OR)</b>		
65(b)	<ol style="list-style-type: none"> <li>a) Annual General Meeting</li> <li>b) Board Meeting</li> <li>c) Extraordinary General Meeting</li> <li>d) Statutory Meeting</li> </ol> <p>(With explanation)</p>	<b>20</b>
66(a)	<p>Rights of partners</p> <p>Duties of partners</p>	<b>20</b>

(OR)

66(b)

**Kinds of Shares**

I. Equity Shares

II. Preference Shares

**Kinds of Preference Shares**

1. Cumulative Preference Shares
2. Non-Cumulative Preference Shares
3. Participating Preference Shares
4. Non-Participating Preference Shares
5. Convertible Preference Shares
6. Non-Convertible Preference Shares
7. Redeemable Preference Shares
8. Irredeemable Preference Shares

**Note :** Types / Kinds – 2 Marks  
Equity shares with explanation – 5 Marks  
Preference Share with explanation – 5 Marks  
Types of preference shares (Headings) – 8 Marks

20

67(a)

**Benefits and Limitations of Stock Exchange**

(4 x5=20)

20

1. Benefits to Companies
2. Benefits to Investors:
3. Benefits to the Community or Society

**Limitations of stock exchange**

(OR)

67(b)	<p align="center"><b>Distinguish between Joint Stock Company and co-operative society.</b></p> <p align="right"><b>(10 x2=20)</b></p> <ul style="list-style-type: none"> <li>• Meaning</li> <li>• Minimum number</li> <li>• Maximum number</li> <li>• Local Membership</li> <li>• Registration</li> <li>• Management</li> <li>• Object</li> <li>• Purchase of shares by member</li> <li>• Facilities</li> <li>• Right to vote</li> <li>• Feelings of self-interest</li> <li>• Repayment of share capital</li> <li>• Distribution of profit</li> <li>• Transfer of shares</li> <li>• New shares</li> <li>• Exploitation</li> <li>• Importance</li> <li>• Registration of Membership</li> <li>• Value of shares</li> </ul> <p><b>(any 10 with explanations)</b></p>	20
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