BOARD OF INTERMEDIATE EDUCATION, KARACHI
H.S.C. Annual Examinations 2021

(MODEL QUESTION PAPER)

PRINCIPLES OF COMMERCE PAPER-I

Total Duration: 02 Hours **Max Marks: 75**

General Instruction:

Section-'A': Q-1 contains 38 (MCQs) and all of them are to be answered. (38)
Section-'B': Q-2 consists of 7 Parts short answer Questions of which 5 Parts Questions are to be answered. (25)
Section-'C': comprises 2 detailed-answer Questions of which 1 Question is to be answered. (12)

SECTION 'A' MCQS-(MULTIPLE CHOICE QUESTIONS)

Time Allowed:40 Min **(38 Marks)**

Note: All the MCQs of this section are to be answered.

Q1. Choose the correct answer for each from the given options:

1) This partner has limited liability

- ♦ Active ♦ Nominal
- ♦ Secret ♦ Minor

2) Tax is imposed twice on

- ♦ Joint stock company ♦ Partnership
- ♦ Sole proprietorship ♦ Cooperative society.

3) Raw material is produced for

- ♦ Retailers ♦ Wholesaler
- ♦ Consumers ♦ Manufacturers

4) Partnership is dissolved by

- ♦ Admission of a partner ♦ Retirement of a partner
- ♦ Death of a partner ♦ All of these

5) Cutting weaving and dying process take place in this industry

- ♦ Analytical industry ♦ Fabricating industry
- ♦ Extracting industry ♦ Synthetic industry

6) A request by the bank to the exporter is known as

- ♦ Bill of exchange
- ♦ Bill of lading
- ♦ Letter of credit
- ♦ Promissory note

7) Minimum legal constraints are faced by

- ♦ Partnership
- ♦ Cooperative society
- ♦ Sole proprietorship
- ♦ Public limited company.

8) Systematic economic activity refers to

- ♦ Economics
- ♦ Profession
- ♦ Industry
- ♦ Commerce

9) Good employees can be admitted to the

- ♦ Sole proprietorship
- ♦ Partnership
- ♦ Company
- ♦ none of the above.

10) The memorandum of association consists of

- ♦ Two clauses
- ♦ four clauses
- ♦ Five clauses
- ♦ Six clauses.

11) The certificate of origin is issued by

- ♦ Export promotion bureau
- ♦ Chamber of commerce
- ♦ Government
- ♦ None of these

12)Wholesaler keeps goods in

- ♦ Shop
- ♦ Showroom
- ♦ Warehouse
- ♦ Factory

13)The goods produced and a country are made available to other countries by

- ♦ Warehousing
- ♦ Insurance
- ♦ foreign trade
- ♦ Transportation

14)The business organization is listed in stock exchange

- ♦ Sole proprietorship
- ♦ Partnership
- ♦ Cooperative society
- ♦ Public limited company

15) The operation of the public limited company is governed by

- ♦ Prospectus
- ♦ Memorandum
- ♦ Dividend of company
- ♦ Article of association

16) Utility created by warehousing is

- ♦ Time
- ♦ Quality
- ♦ Quantity
- ♦ Place

17) Functions of marketing include

- Warehouse
- Transportation
- finance
- All of these

18) Request by the bank to the exporter is known

- Bill of exchange
- Letter of credit
- Bill of lading
- Promissory note.

19) Paid occupation especially one that requires advanced education and training is known as

- Marketing
- Industry
- Profession
- publicity

20) Middlemen who sell directly to consumers and small quantities are:

- Retailers
- Wholesalers
- Exporters
- Producers

21) Chain stores and supermarket are examples of

- Wholesaling
- Importing
- Retailing
- Exporting

22) In Pakistan the cooperative societies are established under the act of

- 1912
- 1925
- 1921
- 1932

23) Wholesaling Concentrates on

- Variety
- Quantity
- Quality
- Price

24)The Essential part of a direct channel

- Middleman
- Agent
- Broker
- all of these

25) Transportation creates

- Time Utility
- Possession utility
- Place utility
- Marginal Utility

26)Accounts are published or printed by a

- Private company
- Public company
- Partnership
- None of these

27) Public subscription is required by a

- Public company
- Statutory company
- Private company
- Partnership company

28) Ownership is transferable in a

- Company
- Partnership
- Sole proprietorship
- Cooperative societies

29)The limited liability is a one of the qualities of a,

- Sole proprietorship
- Joint stock Company
- Partnership
- All of the above

30) A company Management is run by:

- Shareholders
- Board of directors
- Partners
- Proprietors.

31) Registration with registrar of companies is compulsory for,

- Company
- Public company
- Partnership
- Sole proprietorship

32)Partnership contract should be,

- Written
- Oral
- Mutually agreed
- Flexible

33) The life of a partnership is not adversely affected by,

- Retirement of a partner
- Admission of a partner
- Change in partnership agreement
- Death of a Partner

34) Business survives on the basis of.

- Latest information
- Right information
- Relevant information
- Secondary information all of the above.

35) Long term investment,

- Buying machines
- Renting plant
- Hiring labor
- Buying raw materials

36) Capital is brought in by;

- Banks
- Shareholders
- Bondholders
- none of the above

37) Risk is the problem faced by;

- A bank
- A business
- An insurance company
- All of the above

38) Organizational problem is solved by forming;

- Sole proprietorship
- Partnership
- company
- Any of the above

Time Allowed:1:20 hrs **(28 Marks)**

SECTION 'B' (SHORT- ANSWER QUESTIONS)

Note: Answer any 5 Part Questions from this Section. All Questions carry equal marks. No answer should exceed 6-10 lines.

Q2.

I. Describe the means of transportation.
II. State the services of wholesalers to retailer.
III. Enlist the name of the documents used in exporting goods.
IV. Describe the advantages of sole proprietorship.
V. State channels of distribution.
VI. Write any four characteristics of partnership.
VII. Explain the various kinds of warehouses.

SECTION 'C' (DETAILED- ANSWER QUESTIONS)(12 Marks)

Note: Answer any ONE question (with detail) from this section.

Q3. Describe in detail the step by step procedure of importing goods from a foreign countryand List the documents used in this procedure.

Q4. What is Joint Stock Company explain the advantages and disadvantages of the joint stock Company, describe the memorandum of association and article of association.