

**PART I (30 MARKS)**  
**ANSWER ALL QUESTIONS**

**Question 1**

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

- a) Why is a company referred as an artificial person? Justify with **TWO** reasons. [2]


- b) Is it necessary to have a formal communication for organizational relationship? [2]  
Support your answer with **TWO** justifications.


- c) Distinguish between a holding company and a subsidiary company. [2]

Holding company	Subsidiary company	

- d) How are the remunerations paid to directors of a government company different from the remunerations paid to directors of a public company? Mention **TWO**. [2]


- e) What are some of the physical qualities you should possess to be a successful salesman? Explain any **TWO**. [2]


- f) Explain the term 'Installment Credit'. [2]



- g) Karma, a newly appointed salesman is not able to convince the customer to buy the product. As a senior sales consultant, suggest at least **TWO** ways to improve his communication skills. [2]


- h) Is raising the capital by issuing equity shares advantageous to the company? Justify your answer with **TWO** reasons. [2]


- i) Taylor's principles are different from Henry Fayol's principles. Support the statement with **TWO** differences. [2]


- j) What is universality of management? [2]


- k) "Multinational company should not be allowed in Bhutan." Do you agree? Justify. [2]



- l) 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]


- m) Suppose you have appointed Pema as a director of your company, which **TWO** important powers would you delegate to him? [2]


- n) Druk company is planning to launch their new product '*Druk Noodle*'. Suggest any **TWO** new methods of sales promotion to introduce this product in the market. [2]


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


ANSWER ANY **SEVEN** QUESTIONS

## Question 2

- a) Controlling is measuring and correcting of activities of subordinates to assure that events confirm to the plans. Explain the **FIVE** steps involved in the process of controlling. [5]

[illegible]


- b) Sonam is planning to start a private company. What are some of the advantages of a private company? Explain any **FIVE**. [5]






### Question 3

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

[illegible]

[illegible]

b) State **THREE** objectives of salesmanship.

[3]

[illegible]


- c) Banks can refuse to honour a cheque. State at least **TWO** situations where a cheque can be dishonoured. [2]


**Question 4**

- a) Design a comprehensive organizational structure showing all the levels of managerial personnel in a public company. [4]

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- b) A CEO is the most important person in a company. What do you think are the **TWO** most important duties of a CEO? [2]


- c) Quite often successful businesses are built by the directors of the company. Their contributions to the business are multidimensional. What are **FOUR** key duties of a director that make the businesses successful? [4]




### Question 5

- a) What could be the possible reasons for the removal of a person from the post of the director? Mention any **FOUR**. [4]

[illegible]




- b) “The RMA is referred to as the captain of the financial institutions in Bhutan.” [6]  
Interpret the above statement by emphasizing on any **SIX** functions of RMA.




### Question 6

a) 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.



b) Explain the term 'Fixed Capital' and describe any **FIVE** factors that affect it. [6]




### Question 7

- a) You have been asked to advertise your product in one of the advertising media. [5]  
What **FIVE** factors will you consider before choosing the advertising media?

[illegible]


b) Read the definitions of management below: [5]

‘Management is the art of getting things done through and with people in a formally organised groups’.

*Harold Koontz*

‘Management is the function of executive leadership anywhere’.

*Ralph C. Davis*

The concepts of management has been defined by several authors from various viewpoints. Discuss any **FIVE** important characteristics of management.






### Question 8

- a) In the Bhutanese organizations, mostly top down channel of communication takes place. Do you think it is effective? Support your views with **FIVE** reasons. [5]

[illegible]


- b) The following are working situations of XYZ Co. Ltd. Notices and Circulars are sent to the staff through a register book where staffs have to sign. Such type of communication often leads to difficulties and delays in reaching the messages on time. [3]

Suggest **THREE** means of communication where information can reach all the staff at once in a timely manner.



c) “Espirit de-corps is must in any organization.” State **TWO** reasons. [2]


### Question 9

- a) If you were the CEO of a multinational company, how would you operate in different countries? Suggest **FIVE** methods. [5]

[illegible]


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




**Question 10**

a) The following are different media for advertisement:

[5]

- i. Poster advertisement/Hoarding
- ii. Newspaper
- iii. Sales letter
- iv. Radio
- v. Television
- vi. Pamphlets
- vii. Professional journals
- viii. Electronic displays
- ix. Trade journals
- x. Sandwich Board man

Classify each of the above under appropriate media.

Mural/Outdoor	Press	Direct Mail	Audiovisual form	

b) Public company is required to fulfill certain conditions in order to raise the capital. Explain **THREE** necessary conditions.

[3]



c) The following are principles of management of Henry Fayol: [2]

Authority and Responsibility  
Stability of tenure

How can these **TWO** principles effectively help in management?
