

**Q.1. (A) Select the correct option and rewrite the sentence :--**

**(5)**

- 1) Retained earnings are \_\_\_\_\_ source of financing  
(internal, external , additional)
- 2) The holder of bond is \_\_\_\_\_ of the company.  
( secretary, owner, creditor )
- 3) \_\_\_\_\_ refers to any kind of fixed assets.  
( Authorised capital, Issued capital, Fixed capital )
- 4) Under \_\_\_\_\_ method, issue price of shares is based on bidding.  
( Book Building, Fixed Price, Bonus Issue )
- 5) Central Government is a borrower in the money market through the issue of \_\_\_\_\_.  
( Commercial Paper, Trade Bills, Treasury Bills )

**(B) Match the pairs :---**

**(5)**

**Group A**

- 1) Primary market
- 2) Interim dividend
- 3) Depository
- 4) ESPS
- 5) Capital structure

**Group B**

- 1) Long term market
- 2) Fixed liabilities
- 3) New Issue market
- 4) Custodian of securities in electronic form
- 5) Decided and declared by the Board of Directors
- 6) Offered to existing Equity shareholders
- 7) Mix up of various sources of funds
- 8) Decided by the directors and declared by the shareholders
- 9) Offered to existing employees
- 10) Operation of law

**(C) Write a word or a term or a phrase which can substitute each of the following statements :----**

**(5)**

- 1) The value of share which is determined by demand and supply forces in the share market.
- 2) A speculator who expects the price of share to rise in future.
- 3) Request by shareholder in prescribed form for payment of dividend into shareholders bank account.
- 4) The oldest Depository of India.
- 5) Agreement between company and Deposit Trustee.

**(D) Complete the sentences :----**

**(5)**

- 1) Company cannot issue debentures with \_\_\_\_\_ rights.
- 2) Transfer of shares due to death, insolvency or insanity of members is called \_\_\_\_\_.
- 3) Depository receipt traded in country other than USA is called \_\_\_\_\_.
- 4) The Indian Depository Act was passed in the year \_\_\_\_\_.
- 5) The sum of all \_\_\_\_\_ is gross working capital.

**Q.2 ) Explain the following terms or concepts :---(Any Four)**

**(8)**

- 1) Minimum subscription
- 2) Owned Capital
- 3) Rematerialization
- 4) Sweat Equity shares
- 5) Fixed capital

**Q.3 ) Study the following case/situation and express your opinion : ---(Any Two)**

**(6)**

**1)** Purple Co. Ltd. decides to declare dividend for the financial year 2019-20, in which it has earned Profits less than their expectations.

- a) Is Board right in recommending a dividend of Rs. 5/- per share out of free reserves.
- b) Can Board declare the dividend though it is not approved by AGM.
- c) Can the Board give dividend in the form of gifts.

**2)** Mr. Atul holds 100 shares of Pear Co. Ltd. in Demat mode.

- a) He wants to transfer one share each to his wife, daughter and son. Can he do so?
- b) Does he need to submit DRF or DIS if he wants to transfer his shares?
- c) Can he nominate his wife in his demat account?

**3)** Violet Pvt. Ltd. company wants to raise funds through deposits.

- a) Can the company accept deposits from the public?
- b) Which document should the company issue to invite deposits?
- c) What is the maximum period for which they can accept deposits?

**Q.4. Distinguish between : (Any three)**

**(12)**

- 1) Shares and Debentures.
- 2) Transfer of Shares and Transmission of Shares.
- 3) Money Market and Capital Market.
- 4) Final dividend and Interim dividend.

**Q.5. Answer the following questions in brief : (Any Two)**

**(8)**

- 1) State the provisions of Companies Act 2013 for issue of debentures.
- 2) Explain the statutory provisions for allotment of shares.
- 3) State any four factors affecting working capital requirement.

**Q.6. Justify the following statements . (Any two)**

**(8)**

- 1) Fixed capital stays in the business almost permanently.
- 2) Depositholder is the creditor of the company.
- 3) Depository system results in reduced time, cost and efforts.
- 4) Preference shares do not carry any voting right.

**Q.7. Attempt the following : (Any two)**

**(10)**

- 1) Write a letter to the member for the issue of Share Certificate.
- 2) Write a letter to the debentureholder regarding payment of interest through Interest Warrant.
- 3) Draft a letter to the depositor regarding repayment of his deposit.

**Q.8. Attempt the following : (Any One)**

**(8)**

- 1) Define debenture? Explain the procedure for the issue of debentures ?
- 2) Define preference shares. Explain the different types of preference shares?

**BEST OF LUCK**