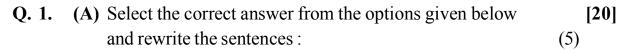


- Note: (1) All questions are compulsory.
  - (2) Figures to the right indicate full marks for the questions.
  - (3) Figures to the left indicate question numbers.
  - (4) Answer to every question must be started on a new page.



- (1) Finance is the management of \_\_\_\_\_ affairs of the company.
  - (a) monetary (b) marketing (c) production
- (2) Company can accept deposits from public, minimum for \_\_\_\_\_ months.
  (a) nine (b) six (c) twelve
- (3) A company can issue \_\_\_\_\_ convertible debentures.
  (a) only partly (b) only fully
  (c) partly or fully
- (4) Debenture capital is a \_\_\_\_\_ capital of a company.
  (a) borrowed (b) owned (c) permanent
- (5) \_\_\_\_\_\_ is a return paid to creditors by the company.
  (a) Dividend (b) Interest (c) Rent



(B) Match the pairs :

Group 'A'

(d) Depository Act

- (a) Capital budgeting (1)
- (b) Regret Letter (2)

(c) Board of Directors (3) Investment decision

1956

(4) Allotment of shares

Group 'B'

Unsecured Debenture

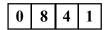
- (e) Final Dividend(5) Decided and declared by Board of Directors
  - (6) Financing decision
  - (7) Decided by Board and declared by members
  - (8) 1996
  - (9) Power to issue debentures
  - (10) Non-Allotment of shares
- (C) Find the odd one :

(5)

- (1) Debenture, Public Deposit, Retained earnings
- (2) Bonus shares, Rights shares, Employees Stock Option Scheme (ESOS)
- (3) Private company, Non-Eligible public company, Government company
- (4) Depository, D.P., RBI
- (5) Private Placement, Commercial Paper, Further Public Offer (FPO)
- **(D)** Correct the underlined words and rewrite the following sentences :

(5)

- (1) Owned capital is <u>temporary</u> capital.
- (2) <u>FPO</u> refers to offering of shares to the public for the first time.
- (3) Dividend is recommended by <u>shareholders</u>.
- (4) Deposit is a <u>long</u> term source of capital.
- (5) A stock market is an important constituent of <u>money</u> market.



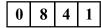
(5)

## Q. 2. Explain the following terms / concepts (Any FOUR) :

- (1) Fixed capital
- (2) Borrowed capital
- (3) Bonus shares
- (4) Depository system
- (5) Secondary market
- (6) Stock Exchange

## Q. 3. Study the following case / situation and express your opinion (Any TWO) :

- (1) Violet Ltd. company plans to raise ₹10 crores by issuing debentures. The Board of Directors have some queries. Please advise them on the following :
  - (a) Can they issue convertible debentures?
  - (b) As the company is offering debentures to its members, can such debentures have normal voting rights?
  - (c) Capital raised by issuing debentures will be Owned Capital or Borrowed Capital?
- (2) Mr. Satish holds 100 shares of Raj Company Ltd. in physical mode and wishes to convert the same into electronic mode:
  - (a) Mr. Satish holds a Savings Bank Account with SBI. Can he deposit his shares in this account for demat?
  - (b) What type of account is needed for the same?
  - (c) Is it the RBI which will be the custodian of shares of Mr. Satish after demating?
- GOLD Co. Ltd. declares a dividend of ₹10/- per share for F.Y. 2019-2020 :
  - (a) Is company under default, if dividend was not paid within 30 days of its declaration?
  - (b) Is company right in transferring the unpaid dividend to its Debenture Reserve Account?
  - (c) Does the company have to transfer the amount of unpaid dividend to IEPF after 30 days?



[8]

[6]

Q. 4.	Distinguish between the following (Any THREE) :			
	(1)	Fixed capital and Working capital		
	(2)	Rights shares and Bonus shares		
	(3)	Dematerialization and Rematerialization		
	(4)	Dividend and Interest		
Q. 5.	Answer in brief (Any TWO) :			
	(1)	Explain Employee Stock Option Scheme.		
	(2)	State any four terms and conditions regarding acceptance of deposits.		
	(3)	Explain the features of Interim Dividend.		
Q. 6.	Justify the following statements (Any TWO) :			
	(1)	Bond holder is creditor of the company.		
	(2)	A company has to create charge on its assets for issuing secured debentures.		
	(3)	Capital market is useful for corporate sector.		
	(4)	Stock exchange works for the growth of the Indian Economy.		
Q. 7.	Att	empt the following (Any TWO) :	[10]	
	(1)	Write a letter to the member for the payment of dividend through Dividend Warrant.		
	(2)	Write a letter to the debenture holder regarding payment of interest electronically.		
	(3)	Write a letter to depositor regarding renewal of his deposit.		
Q. 8.	Answer the following questions (Any ONE) :			
	(1)	What are Preference Shares? Explain its types in detail.		
	(2)	Explain the provisions of Companies Act, 2013 for issue of debentures.		



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