

Marks : 80

Time : 3 Hrs

- 0.1 (A) Write the term, word or phrase.** **5**
1. Type of debentures on which company has to create a charge on its assets.
 2. A document of title of ownership of shares.
 3. This process converts security into electronic form from physical form.
 4. Dividend declared between to AGMs.
 5. A specific place where trading of securities is arranged in an organized method.
- (B) Answer in one sentence.** **5**
1. In what country can GDR be issued?
 2. What is share?
 3. Which companies can accept deposit from public?
 4. Who are the depositors for organization?
 5. What is stock exchange?
- (C) Select the correct option from the options and rewrite the statement** **5**
1. The sum of all _____ is gross working capital.
a. Expenses b. Current assets. c. Current liability
 2. _____ method, issue price of shares is based on bidding. —
a. Book building b. Fixed price c. Bonus issue
 3. — Charge on assets is to be created when a company issue _____
a. Unsecured deposit b. unsecured debentures c. Secured deposit
 4. Dividend amount should be transferred in separate bank account within _____ days of its declaration. —
a. 5 b. 15 c. 50
 5. Money market is a market for lending and borrowing of fund for _____ term
~~a. short~~ b. medium c. long
- (D) State whether statement True or False.** **5**
1. A firm with large scale operations will require more working capital.
 2. Debenture holders have no voting rights.
 3. Debentures are never redeemed by the company.
 4. Dividend once declared cannot be revoked.
 5. Primary market is also known as New Issue market.
- Q.2. Explain the following terms / concepts (Any 4)** **8**
1. A. Borrowed Capital.
B. Overdraft.
C. Rights Issue
D. Interim Dividend
E. Primary Market
F. Bond
- Q. 3 Study the following case / situation and express your opinion. (Any 2)** **6**
1. A company is planning to enhance its production capacity and is evaluating the possibility of purchasing new machinery whose cost is Rs 2 crore or has alternative of machinery available on lease basis.

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- a. What type of asset is Machinery?
- b. Capital used for purchase of Machinery is Fixed or Working Capital?
- c. Does the size of a business determine the fixed capital requirement?
2. Himgiri Ltd. Is an eligible public company as per The Companies Act, 2013 with reference to accepting public deposit.
 - a. Can company accept the depositing joint names?
 - b. Can company accept deposit from its members?
 - c. Can the company issue secured deposits?
3. Mr. Sachin holds 50 shares of Peculiar Co. Ltd. In demat form. The company has declared a dividend of Rs. 5 per share and bonus of 1:1 to its shareholders:
 - a. How will Mr. Sachin get his dividend?
 - b. Will he get Bonus share in physical or demat?
 - c. Who is entitled to dividend and bonus: Mr. Sachin or the depository? (NSDL in this case)

Q.4 Distinguish between the following. (Any 3) 12

- A. Transfer of Shares and Transmission of Shares —
- B. Dematerialisation and Rematerialisation
- C. Primary Market and Secondary Market
- D. Interim Dividend and Final Dividend.

Q.5 Answer in Brief. (Any Two) 8

1. Explain any four provisions of Companies Act 2013 for issue of debentures.
2. Explain the features of Interest.
3. Explain any four advantages of depository system to investor

Q.6 Justify the following statements. (Any Two) 8

1. Fixed capital stays in the business almost permanently.
2. ESOS is offered by a company to its permanent employees, Directors and officers.
3. All companies cannot accept deposit from public.
4. Stock exchanges work for the growth of the Indian economy.

Q.7 Attempt the following. (Any Two) 10

1. Write a Letter to the shareholder regarding issue of Bonus Shares.
2. Draft a letter of allotment to Debenture holders.
3. Draft a letter to depositor regarding repayment of his deposit.

Q.8 Answer the following questions (Any One) 8

1. Define Equity Shares and explain its features.
2. What is Allotment of shares? Explain the statutory provisions for allotment of shares.