

Marks : 80

Time : 3 Hrs

Q.1A) Write the term, word or phrase.

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1. A speculator who expects the price of shares rise in the future.
2. A market which provide long term funds.
3. The shareholders who get dividend at a fixed rate.
4. Dividend decided and declared by the Board.
5. Maximum period of deposits.

B) Complete the sentences.

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1. The oldest stock exchange in India is the.....
2. When Trade bill is accepted by commercial banks, it is known as.....
3. Dividend must be paid in
4. Deposit is a term source of finance of the company.
5. Interest does not depends upon of the company.

C) Match the pairs.

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Group A	Group B
SEBI	1. Expects the price of shares rise in future.
Day Trading	2. Expects the price of shares fall in future.
Bull	3. Buying and selling of securities within the same trading day.
Bear	4. To protect the interest of investors in securities market.
BSE	5. Buying and selling of securities to particular investors.
—	6. One of the oldest Stock Exchange in India.
—	7. To protect the interest of companies in securities market.
—	8. Buying and selling of securities within a week.
—	9. Newest Stock Exchange in India.
—	10. One who invests in new issues of securities.

D) State weather statement True or False.

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1. A Stock Exchange is a reliable barometer to measure the economic condition of a country.
2. Treasury bills are issued by commercial banks.
3. Equity shareholders enjoy fixed rate of dividend.
4. Depositors are given voting rights.
5. All types of debentures are eligible for conversion into equity shares.

Q.2. Explain the following terms / concepts (Any 4)

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1. A. Financing decision.
B. Broker.
C. Money market.
D. Bonus Shares.
E. Unpaid Dividend.
F. Depository system.

Q.3 Study the following case / situation and express your opinion. (Any 2)

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1. Mr. Z holds 100 shares of Peculiar Co.Ltd. in physical mode and wishes to convert the same in electronic mode:

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- a. Mr. Z holds a Saving Bank Account with CFDH Bank Ltd. Can he deposit his shares in this account for De-mat?
- b. What type of account is needed for the same?
- c. Is it the RBI which will be the custodian of shares of Mr. Z after de-mating?
2. Eva Ltd. Company's capital structure is made up of 1,00,000 Equity shares having face value of Rs 10 each. The company has offered to the public 40,000 Equity shares and out of this, the public has subscribed for 30,000 Equity shares. State the following in Rs.
 - a) Authorised capital
 - b) Subscribed capital
 - c) Issued capital
3. DIAMOND Co. Ltd. Is considering to declare Interim Dividend.
 - a. In how many days of declaration it should transfer the funds to Dividend Account?
 - b. In how many days it must pay it to shareholders?
 - c. In how many days of declaration it must transfer the funds to the Unpaid Dividend A/c?
- Q.4 Distinguish between the following. (Any Three) 12**
 1. — Right Shares and Bonus Shares
 2. — Jobber and Broker.
 3. — Owned Capital and Borrowed Capital
 4. — Fixed Price Issue and Book Building.
- Q.5 Answer in Brief. (Any Two) 8**
 1. — State the provision for Rights Issue.
 2. — What is public deposit?
 3. — State the function of SEBI.
- Q.6 Justify the following statements. (Any Two) 8**
 1. Financial markets acts as link between investors and borrower.
 2. Dividend is paid out of profits of the company.
 3. Interest is a liability / obligation of the company.
 4. Electronic holding of securities is safer than physical holding.
- Q.7. Letter writing. (Any Two) 10**
 1. Payment of Dividend through Dividend Warrant.
 2. Letter for issue of Share Certificate.
 3. Payment of Interest through Interest warrant.
- Q.8. Answer the following questions (Any One) 8**
 1. Discuss the factors determining working capital requirement.
 2. What are preference shares? State it's features.