

# BOARD QUESTION PAPER : MARCH 2016

Time: 3 Hours

Max. Marks: 80

**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.

**Q.1. (A) Select the proper option from the options given below and rewrite the sentences: (5)[15]**

- (1) Advice to Board of Directors in respect of financial matter is given by \_\_\_\_\_.  
 (a) an auditor (b) a secretary (c) a finance manager
- (2) A person who purchases shares of a company is called a \_\_\_\_\_.  
 (a) shareholder (b) bond holder (c) creditor
- (3) Return of allotment is to be filed with the Registrar within \_\_\_\_\_ days of the date of allotment.  
 (a) 60 (b) 45 (c) 30
- (4) Government company may accept deposits from public up to \_\_\_\_\_ of aggregate of its paid up capital and free reserve.  
 (a) 35% (b) 30% (c) 25%
- (5) Refusal to allot shares is conveyed through a \_\_\_\_\_ letter.  
 (a) regret (b) allotment (c) call

**(B) Match the correct pairs: (5)**

	Group "A"		Group "B"
1.	Financial plan	a.	Savings account
2.	Overdraft facility	b.	More applications than expected
3.	Under subscription	c.	Share warrant holder
4.	Dividend coupon	d.	Management of business funds
5.	Deposit Receipt	e.	Share certificate holder
		f.	Current account
		g.	Evidence of deposit
		h.	Owner of the company
		i.	Less applications than expected
		j.	Advance programming of financial management

**(C) Write a word or a phrase or a term which can substitute each one of the following statements: (5)**

- (1) The value of share which is determined by demand and supply forces in the share market.
- (2) The authority which has power to accept deposits.
- (3) Portion of the profits which is allocated to the shareholders.
- (4) A type of bill in the nature of promissory note issued by the government.
- (5) The place where buying and selling of securities takes place.

- Q.2. Distinguish between the following: (Any three) [15]**
- (1) Shares and Debentures.
  - (2) Transfer of shares and Transmission of shares.
  - (3) Interim dividend and Final dividend.
  - (4) Primary market and Secondary market.
  - (5) Letter of allotment and Letter of regret.
- Q.3. Write short notes on (Any THREE): [15]**
- (1) Capital structure and its components.
  - (2) Share warrant.
  - (3) Functions of stock exchange.
  - (4) Features of shares.
  - (5) Procedure for redemption of debentures.
- Q.4. State with reasons, whether the following statements are True or False: (Any three) [15]**
- (1) It is not possible to go ahead without a financial plan.
  - (2) A company can accept deposits repayable on demand.
  - (3) Share certificate is a bearer document.
  - (4) Handling demat shares is very time consuming.
  - (5) Convertible debentures can be converted into equity shares.
- Q.5. Attempt the following: (Any two) [10]**
- (1) Draft a letter to depositor for renewal of deposit.
  - (2) Draft a letter regarding payment of interest on debentures to the debenture holder.
  - (3) What are the points to be borne in mind by the secretary while writing letters to the members?
  - (4) What are the legal provisions regarding declaration of dividend?
- Q.6. Define a preference share. Explain the different types of preference shares. [10]**
- OR**
- Draft a letter of allotment of shares to the shareholder.