

BOARD QUESTION PAPER : MARCH 2015

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 correct answer from the possible choices given below and rewrite the statements: (5)[15]

- (1) Big retail stores require large amount of _____ capital.
(a) fixed (b) working (c) loan
- (2) Preference shares carry dividend at _____ rate.
(a) fixed (b) fluctuating (c) lower
- (3) If a share of ₹ 100 is issued at ₹ 110, it is said to be issued at _____.
(a) par (b) profit (c) premium
- (4) The company has to obtain consent of _____ if issue of debentures exceeds ₹ 1 crore.
(a) SEBI (b) Registrar (c) National Stock Exchange
- (5) A company must give receipt for deposit to the depositor within _____ weeks of its acceptance.
(a) two (b) four (c) eight

(B) Match the correct pairs: (5)

	Group "A"		Group "B"
i.	Financial management	a.	Distribution of profit
ii.	Retained profit	b.	Deposits less than ₹ 20,000
iii.	Debenture trustees	c.	Capitalisation of profit
iv.	Small Depositors	d.	1996
v.	Depository Act	e.	Management of business funds
		f.	Borrowed capital
		g.	Protect interest of debenture holders
		h.	Management of business activities
		i.	Deposits less than ₹ 25,000
		j.	1956

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

- (1) The type of shareholders who can participate in the management of the company.
- (2) A document which is an invitation to general public to subscribe for shares of company.
- (3) The maximum period upto which deposits can be accepted.
- (4) An organization where securities / shares are held in electronic form.
- (5) Dividend declared by a company at its annual general meeting.

- Q.2. Distinguish between the following: (Any three) [15]**
- (1) Fixed Capital and Working Capital.
 - (2) Equity Shares and Preference Shares.
 - (3) Share Certificate and Share Warrant.
 - (4) Interim Dividend and Final Dividend.
 - (5) Money market and Capital market.
- Q.3. Write short notes on Any THREE of the following: [15]**
- (1) Trade credit.
 - (2) Employee Stock Option Scheme.
 - (3) Statutory conditions of allotment of shares.
 - (4) Procedure for conversion of debentures.
 - (5) Methods of Redemption of Debentures.
- Q.4. State with reasons, whether the following statements are True or False: (Any three) [15]**
- (1) Financial management is essential for all types of organizations.
 - (2) The bond holders are owners of the company.
 - (3) Transfer of shares is initiated by the company.
 - (4) Debenture holders are creditors of the company.
 - (5) Depositor's approval is must for renewal of deposit.
- Q.5. Attempt the following: (Any two) [10]**
- (1) Write a letter regarding payment of interest on debentures.
 - (2) Draft a letter of thanks to the depositor of a company.
 - (3) What are the points to be borne in mind while writing letters to the members?
 - (4) State the preliminary steps in the issue of shares.
- Q.6. Write a letter to a shareholder regarding issue of bonus shares. [10]**
- OR**
- Define "debenture" and explain the types of debentures.