

**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.