

DAY —— **07**

SEAT NUMBER

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2022

III

11

1030

J-741

(E)

SECRETARIAL PRACTICE (52)

Time : 3 Hrs.

(4 Pages)

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 options given below and rewrite the sentences : (5) [20]

- (1) _____ is related to money and money management.
(a) Production (b) Marketing (c) Finance
- (2) Secured debentures must be redeemed within _____ from the date of its issue.
(a) 10 days (b) 10 years (c) 15 years
- (3) India has a _____ depository system.
(a) sole (b) multi (c) single
- (4) Dividend is to be paid to the shareholders within _____ from the date of declaration.
(a) 30 days (b) 40 days (c) 20 days
- (5) Accumulated dividend is paid to _____ preference shares.
(a) redeemable (b) cumulative
(c) convertible

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(B) Match the pairs.

(5)

Group 'A'

- (a) Investment in debenture.
- (b) Financial market
- (c) Price of shares mentioned in prospectus
- (d) Corporate finance
- (e) Listed company

Group 'B'

- (1) Deals with acquisition and use of capital.
- (2) Must inform stock exchange about dividend declaration.
- (3) Trading of financial securities.
- (4) Safe and secured investment.
- (5) Must inform government about dividend declaration
- (6) Fixed price issue method.
- (7) Risky investment
- (8) Trading of commodities
- (9) Deals with acquisition and use of assets.
- (10) Book- Building Method.

(C) State whether the following statements are True or False : (5)

- (1) Dividend can be paid out of capital.
- (2) Deposit can be accepted for a maximum of 6 months.
- (3) Depository bank stores the shares on behalf of GDR holder.
- (4) Securities market is an unorganised market place in India.
- (5) Bonus shares are fully paid up shares.

(D) Correct the underlined word and rewrite the following sentences : (5)

- (1) Depositors are owners of the company.
- (2) Retained earnings is an external source of finance.
- (3) To rate its debentures, a company appoints underwriters.

- (4) Companies sell fresh shares for the first time to the public in secondary market.
- (5) Preference shareholders get dividend from residual profits.

Q. 2. Explain the following terms / concepts (Any FOUR) : [8]

- (1) Production Cycle
- (2) Overdraft
- (3) Employee Stock Purchase Scheme (ESPS)
- (4) Depository Participant (DP)
- (5) Rate of Dividend
- (6) Rights Issue

Q. 3. Study the following cases / situations and express your opinion (Any TWO) : [6]

- (1) Sunflower limited company proposes to issue debentures to the public to raise funds. After discussions, the Board of Directors have decided to issue secured, redeemable, non-convertible debentures with a tenure of ten years. Please advise the Board on following matters :
 - (a) Should the company appoint Debenture Trustee?
 - (b) Should the company create a charge on its assets?
 - (c) Can the tenure of debentures be less than ten years?
- (2) 'ABC' Company Ltd. is an eligible public company as per the Companies Act, 2013, with reference to accepting public deposits :
 - (a) Can the company accept deposits in joint names?
 - (b) Can the company accept deposits from its members?
 - (c) Can the company accept secured deposits?
- (3) Joy Ltd. Company is newly incorporated company. It wants to raise capital for the first time by issuing equity shares :
 - (a) Should it go to primary market or secondary market to issue its shares?

- (b) Should it offer its shares through public offer or rights issue?
(c) What will be the issue of equity shares by Joy Ltd. Co. called as, – IPO or FPO?

Q. 4. Distinguish between the following (Any THREE) : [12]

- (1) Fixed capital and Working capital
- (2) Transfer of shares and Transmission of shares
- (3) Dematerialization and Rematerialization
- (4) Primary market and Secondary market

Q. 5. Answer in brief (Any TWO) : [8]

- (1) State the features of bond.
- (2) Explain any four advantages of depository system to investors.
- (3) Explain the features of interest.

Q. 6. Justify the following statements (Any TWO) : [8]

- (1) The Board of Directors can refuse transfer of shares.
- (2) The Securities and Exchange Board of India (SEBI) is the regulator for the securities market in India.
- (3) Unpaid dividend cannot be used by the company.
- (4) A company can issue duplicate share certificate.

Q. 7. Attempt the following (Any TWO) : [10]

- (1) Write a letter to the member for the payment of interim dividend electronically.
- (2) Write a letter to the debentureholder regarding payment of interest through interest warrant.
- (3) Draft a letter of thanks to the depositor of a company.

Q. 8. Answer the following questions (Any ONE) : [8]

- (1) What is preference shares? Explain its types.
- (2) Explain the provisions of Companies Act, 2013 for issue of debentures.



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