


VINAYAK CLASSES
DEGREE & DIPLOMA ENGINEERING

Sub: S.P

Standard: 12th (COMM)
Time : 3 Hours

Date: 21/12/2018
Total 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 should start on a new page.

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

- (1) Capital structure is the financing of firm represented by long term debt, preferred stock and net worth.
(a) temporary (b) Permanent (c) balanced
- (2) Company can accept deposits from public minimum formonths.
(a) Six (b) Nine (c) twelve
- (3) issued by capitalization of general Reserve of the company.
(a) Right shares (b) Bonus shares (c) Preference shares
- (4) Shares are transmitted when
- (a) full payment is done (b) a shareholder dies
(c) A call on shares is not paid in time
- (5) have variable rate of interest.
(a) floating rate bonds (b) zero coupon bonds (c) fixed rate bonds.

(B) Match the correct pairs: (5)

- | Group 'A' | Group 'B' |
|--------------------------|--|
| (a) Debt equity Ratio | (1) 1:2 |
| (b) Equity share capital | (2) Saving Account |
| (c) Share certificate | (3) Protects interest of debenture holders |

- (d) Debenture trustees
- (e) Fungibility
- (4) Shares do not have distinctive number.
- (5) Permanent Capital
- (6) 2:1
- (7) Registered document

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

- (1) A speculator who expects rise in price of securities in the future.
- (2) The type of debenture which is redeemed after a fixed period of time.
- (3) Instrument of payment of dividend.
- (4) A cross remark on the face of scrip (share) certificate.
- (5) The maximum period up to which deposit can be accepted.

Q2. Distinguish between the following (Any THREE): [15 M]

- (1) Equity shares and preference shares.
- (2) Transfer of shares and Transmission of shares.
- (3) Final dividend and interim dividend.
- (4) Money market and Capital market.
- (5) Convertible debentures and Non-convertible debentures .

Q.3 Write notes on the following (Any THREE): [15 M]

- (1) Retained profits.
- (2) Share warrant
- (3) Renewal of deposits
- (4) Provisions regarding unpaid dividend.
- (5) Letter to depositor regarding repayment of his deposit.

Q.4 State with reasons, whether the following statements are True or False. (Any THREE): [15 M]

- (1) The Market value of equity shares is always equal to its face value.
- (2) Board of Directors has powers to issue debenture.
- (3) A company can accept deposits payable on demand.

(4) Interest income on fixed deposit is free of income tax.

(5) Repo rate is known as the official Bank Rate.

Q.5 Answer the following (Any TWO):

[10 M]

(1) Explain the functions of stock exchange.

(2) Draft a letter of allotment to debenture holder.

(3) What are the legal provisions regarding ascertainment of dividend.

(4) What points are to be borne in mind by a secretary while drafting letters to debenture holders?

Q.6 Define equity shares and Explain its features.

[10 M]

OR

Define debenture and explain the types of debentures.

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