



BOARD QUESTION PAPER : MARCH 2022

SECRETARIAL PRACTICE

Time: 3 Hrs.

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

(B) Match the pairs:

(5)

	Group 'A'		Group 'B'
(a)	Investment in debenture.	(1)	Deals with acquisition and use of capital.
(b)	Financial market	(2)	Must inform stock exchange about dividend declaration.
(c)	Price of shares mentioned in prospectus	(3)	Trading of financial securities.
(d)	Corporate finance	(4)	Safe and secured investment.
(e)	Listed company	(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. Attempt 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 (Any ONE):

[8]

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