

**R.D.and S.H. National College and S.W.A. Science College**

**Linking Road, Bandra West, Mumbai 400050**

**JUNIOR COLLEGE**

**SYJC (2021-22)PRELIMINARY EXAMINATION January 2022**

**SUBJECT: SECRETARIAL PRACTICE**

**Max Marks:80**

**Duration : 3Hrs**

**Q.1.(a) GIVE ONE WORD OR PHRASE OR TERM WHICH CAN SUBSTITUTE EACH ONE OF THE FOLLOWING STATEMENT ( 5 MARKS)**

- 1. Name the Shareholder who participate in the management.**
- 2. The company which has to intimate stock exchange about declaration of dividend.**
- 3. Highest bid price in book building method.**
- 4. A Specific place where trading of securities is arranged in an organised manner.**
- 5. A Market which provides long term funds.**

**b) ANSWER IN ONE SENTENCES ( 5 MARKS)**

- 1. What is Deposit Trust deed?**
- 2. Whom does the company appoint to protect the interest of debentureholders?**
- 3. What is the subsequent issue after IPO called as ?**
- 4. What are cumulative Preference shares?**
- 5. Define corporate finance.**

**C)STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE. ( 5 Marks)**

- 1. Equity Share Capital Is Known as venture capital.**
- 2. Bond holders are owners of the company.**
- 3. The member transferring shares is called as transferor.**
- 4. Sweat equity shares are offered to directors or employees of a company.**
- 5. Registered Shareholders get dividend through dividend coupons.**

**(D) COMPLETE THE SENTENCES (5 MARKS)**

1. Company issues \_\_\_\_\_ Certificate to the debenture holder after allotment of debenture.
2. Depositors are the \_\_\_\_\_ of the company.
3. The Indian Depository Act was passed in the year \_\_\_\_\_.
4. Link Between Depository and Investor is \_\_\_\_\_.
5. Word Dividend is derived from Latin term \_\_\_\_\_.

**Q. 2 Explain the following terms/Concepts (Any 4) ( 8 marks)**

1. Unpaid Dividend
2. Depository system
3. Deposit Repayment Reserve Account
4. ISIN
5. Transmission of shares
6. Employee stock option Scheme

**Q. 3. STUDY THE FOLLOWING CASE/SITUATION AND EXPRESS YOUR OPINION (ANY 2 ) (6 MARKS)**

1. TRI Ltd. Company is newly incorporated public company and wants to raise capital by selling Equity shares to the public. The Board of Directors are considering various options for this. Advise the Board on the following matters:

- a) What should the company offer –IPO or FPO?
- b) Can the company offer Bonus Shares to raise its capital ?
- c) Can the company enter into Underwriting Agreement ?

2. DDS Financial plans to raise 10 crores by issuing secured , Non-convertible debentures.

However, as per the Articles of Association , the board of directors have authority only to raise upto 5 crores. They are also considering whether to go for private placement or make public offer. Please advise them on the following.

- a. What can be the maximum tenure of the debentures to be issued?
- b. Is the proposed issue within the borrowing powers of the board?
- c. Within what period should company issue Debenture certificate?

**3. Apple Company Ltd .Plans to raise funds through Public Deposits. Its net worth is 10 Crores.**

- a. Can they accept deposits from the public ?
- b. Can they accept deposit which matures after 4 years.
- c. Within what period should the company issue deposit Receipt to it's depositors?

**Q.4. DISTINGUISH BETWEEN THE FOLLOWING (ANY 3) (12 MARKS)**

1. Interim Dividend and Final Dividend
2. Fixed Price issue method and Book building Method
3. Shares and Debenture
4. Money Market and Capital Market

**Q.5 . ANSWER IN BRIEF (Any 2) (8 Marks)**

1. State any four factors affecting Fixed Capital requirements.
2. State the provision for Rights Issue.
3. State any four provisions of companies Act 2013 for issue of debentures .

**Q.6. JUSTIFY THE FOLLOWING STATEMENTS (ANY2) (8 Marks)**

1. Stock Exchange work for the growth of Indian Economy.
2. Interest is a liability /obligation of the company.
3. Capital Market is useful for corporate sector.
4. Retained earning is Simple and cheapest method of raising finance .

**Q.7. ATTEMPT THE FOLLOWING (ANY 2) (10 MARKS)**

1. Write a letter to the shareholder regarding issue of Bonus Shares.
2. Write a letter to the debentureholder regarding payment of interest through Interest warrant .
3. Write a letter to depositor regarding renewal of his deposit.

**Q. 8. ANSWER THE FOLLOWING (any 1) (8 Marks)**

1. Define Debenture and explain different types of debentures
2. Explain the two methods a company can use to make its public offer of shares.