

SYBIM sem IV Reg Exam April-2023  
Time:- 2 ½ Hours Marks:- 75  
Introd. to Equity Research

All questions are compulsory and carry 15 (8+7) marks.

All questions have internal choice.

17/4/23



Q. 1. A) Fill in the blanks with most appropriate answer (attempt any 8):

- 1) \_\_\_\_\_ helps us understand drivers of income, savings, investments and employment in an economy. (Theory of demand and supply, economics, Macroeconomics, Microeconomics)
- 2) The topic of public policy comes under \_\_\_\_\_. (Theory of demand and supply, economics, Macroeconomics, Microeconomics)
- 3) Under \_\_\_\_\_ method economists calculate money value of all final goods and services produced in the economy during a specific period. (sales method, expenditure method, product method, income method)
- 4) Under \_\_\_\_\_ method, national income is measured as the aggregate income of individuals in the economy. (salary method, product method, expenditure method, income method)
- 5) In case of rights issue shares are issued to the existing \_\_\_\_\_. (shareholders, employee, suppliers, managers)
- 6) National income can also be calculated from consumption end which is \_\_\_\_\_. (consumption method, product method, income method, expenditure method)
- 7) Process of buying of shares by the management of the company is called as \_\_\_\_\_. (back shares, back buy of shares, buyers of shares, buy back of shares)
- 8) Share price reduces when the shares trade \_\_\_\_\_. (no-dividend, full dividend, come-dividend, ex-dividend)
- 9) \_\_\_\_\_ are liabilities which may or may not occur on the company's head. (Contingent liabilities, liabilities, Asset liabilities, Fixed liabilities)
- 10) Management generally goes for \_\_\_\_\_ when excess cash is available with the company. (buyback of shares, share consolidation, loan restructuring, share split)

B) State whether the following statements are true or false (attempt any 7)

- 1) Number of shares increases in case of stock split.
- 2) Equity research is all about finding the valuation of a listed company.
- 3) If the fair price is less than current market price of stock, then the analyst should recommend.
- 4) A stock broker means a member of a recognised stock exchange.
- 5) NSDL and CDSL are Stock brokers.
- 6) Degree of risk is higher in speculation.
- 7) The risk of hard underwriter is much higher than in soft underwriting.
- 8) A research analyst should have a good communication skills.
- 9) Growth stocks are stocks of companies with profits that are increasing quickly.
- 10) Value stocks have high P/Dividend ratio.

Q.2.

A) Describe in brief the process of equity research.

B) Explain the role of research analyst.

OR

C) What is top down approach and bottom up approach in fundamental analysis? Explain.

D) Explain the responsibilities of research analysis.

Q.3

A) What is micro economics? Explain principles of micro economics.

B) Explain the three methods to measure national income.

OR

C) What is inflation and Explain how it is measured?

D) Explain difference between FDI and FPI.

Q.4

A) Describe Horizontal forces of Michael porter's 5 forces model.

B) Explain PESTLE analysis

OR

C) Explain the two major components of financial markets

D) Write a note on IPO

Q.5

A) What do you understand by Depreciation? Explain.

B) Explain the basics of a balance-sheet.

OR

C) Write short notes on any three of the following:

i) Share swap

ii) Delisting of Shares

iii) Stock split

iv) Bonus issue

v) Loan Restructuring