

04/5/19.

Duration : 2.5 Hours

Marks : 75

- N.B. : (1) All the question are compulsory.  
(2) Figures to the right indicate marks.  
(3) Each question carries 15 marks each.

Q.1 (a) Match the columns: (any Eight)

8 Marks

Group 'A'	Group 'B'
1. Venture capital	a. Example of a Stochastic model
2. Inter - Day volatility	b. Factor affecting share prices
3. SEBI	c. Random Walk theory
4. Market cap	d. Economic strength of market and peers
5. Industry analysis	e. Custodian
6. Technical factor	f. Protect the interest of investors in securities
7. Efficient Market Hypothesis	g. Standard Deviation
8. Monte Carlo Simulation	h. Measure systematic risk of a security
9. Beta	i. Risky capital
10. ICICI Bank Ltd.	j. Expansion stage

Q.1(b) State whether following statements are True or False: (any seven)

7 Marks

1. Income is earned to meet expenditure and consumption.
2. Disinvestment refers to privatizing public sector enterprises in a phased manner.
3. Reserve Bank of India is the regulator for the securities market in India.
4. Private placement means the securities are offered to selected big institutional clients only.
5. The industrial life cycle has a stagnation stage when the new inventions and technological developments take place.
6. Earnings per share is calculated by dividing the number of outstanding shares by the net earnings.
7. The strong form asserts that all information is fully reflected in securities prices.
8. Brownian model for the movement of share prices is widely used in the theory of mathematical finance.
9. Stock broker is a member of a recognized stock exchange who buys, sells or deals in securities.
10. BSE provides a transparent method of trading in equity, derivatives and debt instruments.

Q.2 (a) Explain in detail Foreign Institutional Investments. 8 Marks

(b) Explain the general guidelines for FDI investment in India. 7 Marks

OR

Q.2 (c) Define share price volatility. Explain the various types of volatility. 8 Marks

(d) Explain the role of SEBI in regulating Indian capital market. 7 Marks

Q.3 (a) Explain the various factors affecting share price. 8 Marks

(b) What do you mean by Industry Analysis with respect to fundamental analysis? 7 Marks

OR

Q.3 (c) Explain the tools for fundamental analysis. 8 Marks

(d) Define price earning model. Explain its limitations. 7 Marks

Q.4 (a) What is EMH? Explain three forms of the EMH. 8 Marks

(b) Explain Stochastics Model with suitable example. 7 Marks

OR

Q.4 (c) Explain Brownian Motion in detail. 8 Marks

(d) Explain a note on BETA. 7 Marks

Q.5 (a) Explain the meaning of broker. State its duties. 8 Marks

(b) Define BOLT. Explain its benefits. 7 Marks

OR

Q.5 Write short notes : (any 3) 15 Marks

(a) Retail investor

(b) Book Building Process

(c) Merits of fundamental analysis

(d) Stock Market Quotations

(e) NSCCL

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