

Name:
Enrolment No:



UNIVERSITY WITH A PURPOSE

UNIVERSITY OF PETROLEUM & ENERGY STUDIES

End Semester Examination (Online) – Jan, 2021

Program: BCOM/LLB
Subject/Course: Financial Market and Investment
Course Code: BAPP 3001

Semester: Ist
Max. Marks: 100
Duration: 3 Hours

Section A

- 1. Each Question will carry 5 Marks**
2. Instruction: Complete the statement / Select the correct answer(s)

S.No	Question	COs
1	The stock is (a) made up of small units of equal value called shares (b) expressed in terms of money (c) expressed in term of numbers of shares (d) fully paid-up and partly paid-up shares	CO3
2	The open ended schemes are (a) open for a particular period (b) have fixed period of maturity (c) listed in the stock exchange (d) open on a continuous basis	CO1
3	SEBI has made it mandatory for companies to disclose (a) the yearly annual report (b) monthly report and annual report (c) quarterly report and annual report (d) monthly review and annual report	CO3
4	The rolling settlement period introduced in the stock exchange is (a) T+5 (b) T+3 (c) T+2 (d) T+1	CO5
5	The independent directors in a board contribute much to the (a) corporate culture (b) production (c) corporate governance (d) employee morale	CO4
6	Indexed bonds (a) carry fixed interest payments. (b) adjust coupon rates to changes in general price level.	CO2

	(c)adjust face values to changes in general price level. (d) None of the above													
	SECTION B 1. Each question will carry 10 marks 2. Instruction: Write short / brief notes													
Q1.	Without adequate information the investor cannot carry out his investment programme.' Elucidate the statement.	CO2												
Q2.	According to a newspaper report,'the 12% non convertible debenture issue of Sterlite Industry was traded around Rs.485. The face value of the debenture is Rs. 450. It is to be redeemed in three equal instalments of Rs.150 each starting from March 2000.' What are the characteristics of this debenture? How does it differ from Sterlite Industry stock?	CO4												
Q3.	SEBI is established with a purpose to safeguard the interest of particularly retail investors. In this view discuss the steps taken by SEBI to protect investors in the primary market?	CO3												
Q4.	Describe the market participants of the secondary market.	CO5												
Q5.	How would you analyse the qualitative factors while analysing fundamentals of a company. OR 'Stock are considered to be risky but bonds are not.' This is not fully correct. Elucidate.	CO6												
	Section C 1. Each Question carries 20 Marks. 2. Instruction: Write long answer.													
Q1.	The returns on securities A and B are given below. <table style="margin-left: 20px;"> <thead> <tr> <th>Probability</th> <th>Security A</th> <th>Security B</th> </tr> </thead> <tbody> <tr> <td>0.5</td> <td>4</td> <td>0</td> </tr> <tr> <td>0.4</td> <td>2</td> <td>3</td> </tr> <tr> <td>0.1</td> <td>0</td> <td>3</td> </tr> </tbody> </table> <p>Give the security of your preference. The security has to be selected on the basis of return and risk.</p>	Probability	Security A	Security B	0.5	4	0	0.4	2	3	0.1	0	3	CO6
Probability	Security A	Security B												
0.5	4	0												
0.4	2	3												
0.1	0	3												