

**N.B. : ALL QUESTIONS ARE COMPULSORY  
FIGURES TO THE RIGHT INDICATE FULL MARKS  
USE OF CALCULATOR IS ALLOWED**

**Q 1.A) Fill in the blanks With Correct alternative (any eight).****8**

1. An \_\_\_\_\_ is an individual who works in a financial institution that is in the business primarily of raising capital for companies, governments and other entities.  
a) CEO b) CFO c) investment banker d) none of the above
2. \_\_\_\_\_ in general is a recreational activity than an activity to find an extra income.  
a) Gambling b) Investment c) Savings d) none of the above
3. Alternative investment and property are -----  
a) Defensive asset b) Growth asset c) Fixed asset d) None of the above
4. An----- which helps organisation to raise capital?  
a) Investment bank b) commercial bank c) venture capital firms d) All of the above
5. Market risk is also known as \_\_\_\_\_ risk.  
a) systematic b) unsystematic c) both of the above d) none of the above.
6. There is \_\_\_\_\_ correlation between risk return tradeoff..  
a) positive b) negative c) no correlation d) none of the above
7. Required Return = Risk-Free Return + \_\_\_\_\_  
a) Risk premium b) market return c) zero return d) none of the above
8. An investment bank currently paying attention on-----  
a) Digital technology b) financial technology c) Innovations d) All of the above
9. An industry analysis is an essential responsibility for-----  
a) An equity research analyst b) demand -supply mechanism c) Future outlook d) All of the above
10. To ----- is not an investment banking activity.  
a) Merger and acquisition b) cross border transaction c) Accept deposits d) Research

**B) State whether the following statements are true or false (any seven).****07**

- 1) RBI is the regulator of money market.
- 2) Hybrids are a combination of active & passive strategies.
- 3) Growth asset are designed to decrease investment.
- 4) Fundamental and Technical analysis helps in stock selection.
- 5) Risk averse investors have more appetite to take risk.
- 6) Venture capitalist do not fund to risky ventures
- 7) Interest rate risk arises due to variability in political situation in a country.
- 8) The industry analysis does not shed light on the economic health of the Company
- 9) Security exchange board of India was nationalised in 1991.
- 10) Portfolio management process is not an outgoing way of managing a client's portfolio of assets.

**TURN OVER**

**Q 2. Answer the following questions**

- A) What is investment banking? Explain the importance of investment banking. **8**  
 B) Explain the steps involved in portfolio management. **7**

**OR**

- A) Distinguish between Investment and Gambling. **8**  
 B) What is an asset class? Explain the types of assets classes. **7**

**Q 3. Answer the following questions**

- A) Explain private placement method in detail. **8**  
 B) What is an investment banker. Explain the role of investment banker. **7**

**OR**

- A) Explain the features of venture capital? **8**  
 B) What is due diligence? Explain due diligence process. **7**

**Q4. ANSWER THE FOLLOWING QUESTIONS.**

- A. Explain the terms risk averse investor, risk tolerant investor, risk seeking investor and risk return tradeoff. **8**  
 B. Explain various types of risk. **7**

**OR**

- A. Explain the procedure of ASBA (application supported by blocked amount) **8**  
 B. Elaborate the term IPO (initial public offering) in detail? **7**

**Q 5. Answer the following questions**

- A) What are the steps of industry analysis? **8**  
 B) Explain industry consolidation in detail. **7**

**OR****Q5 Write short notes on (any three)**

- A) Angel investors. **15**  
 B) Mutual Funds and its advantages  
 C) Distinguish between investment and speculation  
 D) Follow on public offer  
 E) Functions of a financial intermediary.