

Duration: 2.5 Hours

Marks: 75

N.B: 1) All questions are compulsory.

2) Figures to the right indicate the maximum marks.

Q.1 (A) Multiple Choice Questions (Attempt any Eight)

(8)

1. Companies which have reached maturity stage with heavy cash balance are considered as _____ in BCG analysis.
 - a) Dog
 - b) Question Mark
 - c) Cash Cow
 - d) Snake
2. _____ is an internal factor in qualitative analysis.
 - a) Strength
 - b) Opportunities
 - c) Threats
 - d) None of these
3. _____ is the reverse stock split.
 - a) Share consolidation
 - b) Bonus issue
 - c) Loan restructuring
 - d) Shares swap
4. Stock is considered a value stock if _____.
 - a) Its market price is very high
 - b) If the stock is under-priced
 - c) Reserves and surplus of the company is high
 - d) It has high EPS
5. Microeconomics deals with the '_____'.
 - a) Theory of the firm
 - b) Theory of the nation
 - c) Theory of the world
 - d) Theory of the industry
6. _____ studies the psychology of investors in financial decision-making.
 - a) Technical analysis
 - b) Economy analysis
 - c) Behavioural finance
 - d) Macroeconomics
7. Historical dividend track record of a company may be seen from _____.
 - a) Price Earnings Ratio
 - b) Dividend pay-out ratio
 - c) Quick ratio
 - d) EBIT
8. _____ from the following is an off-balance sheet item.
 - a) Secured Loan
 - b) Guarantee
 - c) Creditors
 - d) Call Money pending issue of shares
9. What is known as Stock Dividend?
 - a) Acquisition of company
 - b) Buyback of shares
 - c) Bonus shares
 - d) Interim Dividend
10. The full form of CDSL is _____.
 - a) Central Depository Services Limited
 - b) Corporate Depository Services Limited
 - c) Central Debt Securities Limited
 - d) Certified Depository Services Limited

- Q.1(B) True or False (Attempt any Seven)** (7)
- 1) Basic research is mostly conducted to enhance knowledge.
 - 2) Empirical research is based on beliefs of the society.
 - 3) Reporting is post facto research activity.
 - 4) Red chip stock means growth stock.
 - 5) Blue chip Companies shares provide lower or higher percentage of voting rights.
 - 6) Contingent liability is one of the off-balance sheet items.
 - 7) DOG analysis is an important part of PESTLE matrix.
 - 8) In bottom-up approach, industry is studied after study of company.
 - 9) Historical dividend track record can be seen from D/P ratios.
 - 10) Interview is the best method to collect Secondary data.
- Q.2(A)** What is Applied research? How does applied research connect with equity research? (7)
- Q.2 (B)** Explain step by step process of formulation of a research problem. (8)
- OR**
- Q.2 (C)** What is Behavioural Finance? Explain its features (8)
- Q.2 (D)** What is BCG Matrix? Explain disadvantages of BCG analysis. (7)
- Q.3 (A)** How SWOT analysis can be used in 'Top-Down approach' of equity research? (8)
- Q.3 (B)** Explain how Right issue is different than bonus issue. How does it affect Investors' Perception? (7)
- OR**
- Q.3 (C)** Explain the importance of corporate governance. (7)
- Q.3 (D)** Explain why sometimes researcher prefer secondary data over primary data. (8)
- Q.4 (A)** What is fundamental analysis and what are its limitations? (8)
- Q.4 (B)** What is Technical analysis? Explain any three tools of technical analysis with diagrams, if necessary. (7)
- OR**
- Q.4 (C)** Explain Business Model and its types. (8)
- Q.4 (D)** Explain elements of equity research. (7)
- Q.5 (A)** What is debenture? How does it affect the valuation of listed equity shares? (7)
- Q.5 (B)** What are the sources of Secondary data? (8)
- OR**
- Q.5 (C) Short Notes (Attempt any three)** (15)
- a) Cash Cow Vs Dogs
 - b) Microeconomics
 - c) Positives of Globalization
 - d) Buyback of shares
 - e) Key Industry Drivers