

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF COMMERCE
END TERM EXAMINATION - JAN 2023**

Semester : SEMESTER - V - 2020

Course Code : BFS102

Course Name : Sem V - BFS102 - Investment Management

Program : B.Com. / B.Com. Honors

Date : 6-JAN-2023

Time : 1.00PM - 4.00PM

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.

PART A

ANSWER ALL THE FOLLOWING QUESTIONS

10 X 2 = 20M

1. Speculator is a person _____
a) who is willing to take high risk for high returns (CO1) [Knowledge]
b) who evaluates the performance of the company
c) who uses his own funds only
d) who uses others funds only
2. An investor invests in assets known as a _____
a) Securities (CO1) [Knowledge]
b) Block of Assets
c) Portfolio
d) None of the above
3. The capital market in India is controlled by?
a) SEBI (CO2) [Knowledge]
b) RBI
c) FMC
d) IRDA

4. is a facility where investor will invest a fixed amount in a mutual fund scheme at regular intervals.
- a) STP (CO2) [Knowledge]
 - b) SIP
 - c) SWP
 - d) SRP
5. What is meant by Demat Account?
- a) Development market account (CO3) [Knowledge]
 - b) Development Participant account
 - c) Dematerialization of Securities
 - d) Demand depositories account
6. Bombay Stock Exchange (BSE) is the _____ Stock exchange in Asia.
- a) first (CO3) [Comprehension]
 - b) Second
 - c) third
 - d) fourth
7. Which one is not a risk management activity?
- a) Risk assessment (CO4) [Comprehension]
 - b) Risk generation
 - c) Risk control
 - d) None of the above
8. The beta of the risk free asset is
- a) -0.1 (CO4) [Comprehension]
 - b) 0.1
 - c) 0
 - d) 1.0
9. Which analysis provides a simplified picture of price behaviour of a shares _____
- a) Fundamental (CO5) [Comprehension]
 - b) Technical
 - c) Financial
 - d) None of the above
10. This type of risk is avoidable through proper diversification _____
- a) Unsystematic risk (CO5) [Comprehension]
 - b) systematic risk
 - c) Ratio risk
 - d) political risk

PART B

ANSWER ALL THE FOLLOWING QUESTIONS

4 X 10 = 40M

11. An investor has two investment options before him. Portfolio A offers risk-free expected return of 10%. Portfolio B offers an expected return of 20% and has standard deviation of 10%. His risk aversion index is 5. Which investment portfolio the investor should choose?
(CO1) [Comprehension]
12. The derivative itself is a contract between two or more parties based upon the asset. Its value is determined by fluctuations in the underlying asset. Describe different types of Derivative Contracts of Stock market.
(CO2) [Comprehension]
13. Primary market acts as a booster for any economic activity in the country .Explain the factors to be considered to enter primary market.
(CO3) [Comprehension]
14. When you invest, you make choices about what to do with your financial assets. Risk is any uncertainty with respect to your investments that has the potential to negatively impact your financial welfare. Explain the different types of systematic risk in detail.
(CO4) [Comprehension]

PART C

ANSWER ALL THE FOLLOWING QUESTIONS

2 X 20 = 40M

15. Capital Market and Money market are two sides of stock market. Explain Capital market and Money Market Instruments with examples.
(CO1) [Comprehension]
16. Explain the trading, Settlement Procedures and different types of Settlements in detail.
(CO3) [Application]