



**UNIVERSITY OF PETROLEUM & ENERGY STUDIES  
DEHRADUN**

**End Semester Examination – December, 2017**

<b>Program/course: BBA LLB - CL (Sec A &amp; B) and Banking &amp; Finance</b>	<b>Semester</b>	<b>: III</b>
<b>Subject: International Finance and Risk Management</b>	<b>Max. Marks</b>	<b>: 100</b>
<b>Code : BBCF 233</b>	<b>Duration</b>	<b>: 3 Hours</b>
<b>No. of page/s: 2</b>		

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**Section - A 6x5 = 30 Marks**

1. What is BOT and BOP? Mention any 4 difference between them.
2. What is an Option explain its types and state the strike price terminologies of an Option?
3. Write short notes on Listing and its objectives.
4. What is preference share and explain any 5 types of it.
5. Explain functions and components of stock market?
6. Write a brief note on SWAPs and market players in derivative market

**Section - B 2x10 = 20 marks**

1. Who are the speculators in the capital market and explain what are the factors that influencing price of share in capital market?
2. Discuss about determinants and factors influencing capital structure?

**Section - C 50 Marks**

**Que 1- 10 Marks**  
**Que 2- 10 Marks**  
**Que 3- 10 Marks**  
**Que 4- 20 Marks**

1. A project requires an initial investment of \$1,95,000 and is expected to generate the following net cash inflows:

Year	1	2	3	4
Cash inflow	\$80,000	\$72,000	\$63,000	\$50,000
NPV	0.8772	0.7695	0.6750	0.5921

Minimum desired rate of return is 14%. Find NPV for the project

2. Ram is considering invest in a construction project.

The project will require an initial investment of \$1,60,000 and is expected to generate the following cash flows thereafter:

Year	\$
1	30,000
2	110,000
3	(40,000)
4	180,000
5	80,000
6	100,000
7	60000

Calculate the payback period and comment.

3. RBI is proposing to sell 7 years bond for 1300 @ 4% annual rate of interest where redeemable @ 2% and discounted @ 6% find the cash flow for investor and value of bond.
4. 6 years 15% bond. Face value of the bond is Rs.2100 reinvestment rate is 12% which prevailing in market is 1900. Find the realized yield?