Printed Pages:02 **Sub Code: RMB FM 01**

Paper Id: 270309 **Roll No.** | | | | | | | | | | |

MBA

(SEM 3rd) THEORY EXAMINATION 2018-19

Security Analysis & Portfolio Management

Time: 3 Hours ***Total Marks: 70***

Note: 1. Attempt all Sections. If require any missing data; then choose suitably.

SECTION A

1. Attempt *all* questions in brief. 2 x 7 = 14

a. What is beta Factor?
b. Explain the concept of 'Deep discount bond'.
c. What do you mean by NAV ?
d. What do you mean by Swet Equity shares?
e. Discuss the types of investors.
f. What is Portfolio?
g. Define the term Capital Market.

SECTION B

2. Attempt any *three* of the following: 7 x 3 = 21

a. Clearly Explain the functions and limitations of New issue market.
b. Clearly discuss Dow Theory.
c. What is Systematic risk? What are various types of systematic risks? Clearly discuss.
d. Clearly discuss the clearing and settlement Procedures in Security Training.
e. Clearly discuss the investment process.

SECTION C

3. Attempt any *one* part of the following: 7 x 1 = 7

(a) Clearly Explain Term Structure of Interest rate.
(b) Clearly discuss the strategies regarding revision of portfolio.

4. Attempt any *one* part of the following: 7 x 1 = 7

(a) What is meant by fundamental analysis? How does it differs from technical analysis.
(b) Clearly discuss the Markowitz diversification.

5. Attempt any *one* part of the following: 7 x 1 = 7

(a) Explain various concepts of Valuation. Which is the most appropriate concept for making financial decision.
(b) Clearly differentiate between Capital market line and security market line.

6. Attempt any *one* part of the following: 7 x 1 = 7

(a) Discuss Sharpe's measures of Portfolio Performance.
(b) How the Performance of existing Portfolio can be evaluated?

7. Attempt any *one* part of the following: 7 x 1 = 7

(a) What is Capital Assets Pricing model? Also discuss its assumptions.

(b) Details of Portfolio held by your client which yields average return of 15% are given below :

Shares	Cost (Rs.)	Dividend/Interest	Market Price	Beta
A	40,000	6,000	42,000	0·7
B	30,000	4,500	32,000	0·9
C	15,000	2,250	16,000	0·8
D	10,000	2,000	9,000	1·15
Govt. Boards	50,000	4,800	52,000	1

Find out expected return of each investment using CAPM and average return of the Portfolio.