

Roll No.

Total No. of Pages : 03

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MBA(Sem.-3)

INVESTMENT ANALYSIS AND PORTFOLIO MANAGEMENT

Subject Code :MBA911-18

M.Code :76896

Date of Examination:01-12-2025

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A contains EIGHT questions carrying TWO marks each and students has to attempt ALL questions.
2. SECTION-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consists of ONE Case Study carrying TWELVE marks.

SECTION-A

1. Write briefly:

- a) Holding Period Return
- b) Primary Market
- c) Price / Earning Ratio
- d) Growth Investing
- e) Secondary Movement
- f) Moving Averages
- g) Put Option
- h) Single Index Model

SECTION - B

UNIT - I

2. Differentiate between primary and secondary markets. Briefly describe the various SEBI guidelines, which ensures integrity, transparency and level playing field for all stakeholders in primary and secondary markets.
3. Define investment. Discuss in detail the various investment objectives. Also, briefly describe the principles of good investment planning.

UNIT - II

4. *'The fundamental analysis aims to identify diamonds in the dust'*. Elucidate with suitable examples. Also, briefly discuss the process of conducting fundamental analysis.
5. *'Economic, industry and company life cycle; economic demographic profile; industry composition; intensity of competition; size of companies; scalability of business; competitive advantage of industry as well as company etc. are critical factors, while conducting fundamental analysis'*. Comment. Give suitable examples in support of your answer.

UNIT - III

6. What do you mean by Dow Theory? Discuss the various assumptions of Dow Theory. Also, discuss the suitability as well as the limitations of Dow theory.
7. What do you mean by portfolio revision? Describe the various signals / events when the portfolio revision is essential. Give suitable examples in support of your answer.

UNIT - IV

8. What do you mean by Capital Asset Pricing Model (CAPM)? Discuss the various assumptions of CAPM. Also, briefly discuss the various challenges in application of CAPM.
9. What do you mean by Option contracts? Discuss various types of option contracts. Also, briefly discuss how the payoffs, of call and put option contracts are computed?

SECTION - C

10. Case Study :

Following detail of Security A and B are given :

| Security | Expected Return | Variance |
|----------|-----------------|----------|
| A | 16.50% | 10.35% |
| B | 22.00% | 18.40% |

If the covariance between securities A and B is 8.58, you are required to :

- Examine whether or not any portfolio of securities A and B is possible, which will have a risk less than the risk of either of both the securities.
- If yes, for (a) above, then what is the expected return of such a portfolio? Else, explain which security will you choose to include in your portfolio and why?

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.