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Roll No.....

MS-404/FM-2106
SECURITY ANALYSIS AND
PORTFOLIO MANAGEMENT

Master of Business Administration

(MBA-10/12/13/16/17)

4th Semester, Examination-2020

Time Allowed : 2 Hours

Maximum Marks : 80

Note : This paper is of Eighty (80) marks divided into Two (02) sections A and B. Attempt the question contained in these sections according to the detailed instructions given therein.

Section-A

(Long Answer type questions)

Note : Section-'A' contains Five (05) Long answer type questions of Twenty (20) marks each. Learners are required to answer any two (02) questions only. (2×20=40)

1. What are the risks associated with investing in bonds? Discuss the different management strategies to minimize the risks associated with fixed income securities.
2. (a) Discuss the role of NSE and BSE in the Indian Securities Market.

(b) What is 'Listing of Securities'? What are its advantages from the point of view of the company and investors?
3. Issue of securities to raise capital is a joint effort of different intermediaries. Discuss the role of different intermediaries in raising the capital.
4. What are the internal and external sources that can be tapped by a business concern to meet its financial requirements? Explain.
5. (a) From the information given below calculate Sharpe ratio and Treynor ratio. State which fund performed better.

Fund	Return	Standard Deviation (σ)	Beta (β)
A	13%	19%	0.7
B	18%	26%	1.2
X (Market index)	16%	22%	1

The risk free rate of return is 7%

- (b) Suppose two stocks have a correlation of +1.0. Can a portfolio of these two stocks reduce risk? Explain.

Section-B

(Short answer type questions)

Note: Section-B Contains Eight (08) short answer type questions of Ten (10) marks each. Learners are required to answer any four (04) questions only. (4×10=40)

1. Discuss the objectives of Mutual Funds. What are the benefits of investing in mutual funds?
2. Discuss the differences between Bond and Equity.

3. Can all risk be eliminated if sufficiently large portfolio be held?
4. What are the functions of Stock Exchange?
5. What are the objectives of SEBI? Critically evaluate the role of SEBI in promoting and protecting the interest of investors.
6. Discuss Bull market and Bear market.
7. Are future market prices predictable on the basis of past price behavior?
8. Discuss the users and uses of Market indexes.
