

**M.B.A. (GEN.) SEM-III / M.B.A.(HR) SEM-III (2016 Course) CBCS
: SUMMER - 2019**

**SUBJECT: INVESTMENT ANALYSIS & PORTFOLIO MANAGEMENT
(FINANCIAL MANAGEMENT)**

Day: Tuesday
Date: 07/05/2019

S-2019-2201

Time: 02.00 PM TO 05.00 PM
Max. Marks: 60

N.B.:

- 1) Answer ANY THREE questions from Section I. Each question carries 10 Marks.
- 2) Answer ANY TWO questions from Section II. Each question carries 15 Marks.
- 3) Answers to Both the sections to be written in **SAME** answer books.
- 4) Draw a labeled diagram WHEREVER necessary.

SECTION - I

- Q.1) Answer the following: (10 Marks X 1 = 10 Marks)
Elaborate the various types of Mutual Fund Schemes available in India.
- Q.2) Answer the following: (10 Marks X 1 = 10 Marks)
Explain the concept, importance and limitations of Technical Analysis.
- Q.3) Answer the following: (10 Marks X 1 = 10 Marks)
Write detailed note on the Investment Policy Statement and Asset Allocation.
- Q.4) Answer the following: (10 Marks X 1 = 10 Marks)
Elaborate the concept and applications of Capital Asset Pricing Model.
- Q.5) Write short notes on the following: Attempt ANY TWO (5 Marks X 2 = 10 Marks)
- a) Risks involved in Investment
 - b) Random Walk Theory
 - c) Dow Theory
 - d) Derivatives

SECTION - II

- Q.6) Answer the following: Attempt ANY ONE (15 Marks X 1 = 15 Marks)
- a) What do you mean by Investment? Elaborate the current scenario of Investment in India.
 - b) Explain in detail the concept of Fundamental Analysis with suitable examples.
- Q.7) Answer the following: Attempt ANY ONE (15 Marks X 1 = 15 Marks)
- a) Write detailed note on the Behavioral Finance and its impact on Investment decision making.
 - b) Explain the role of securities market in Indian economy.
- Q.8) Answer the following: Attempt ANY ONE (15 Marks X 1 = 15 Marks)
- a) i) A portfolio consists of two securities A and D with expected returns of 12 percent and 20 percent respectively. The proportions of portfolio value invested in these securities are 0.40 and 0.60 respectively. The standard deviations of returns on securities (in percentage terms) are 10 and 16 respectively. The coefficient of correlation between A and D is 0.50. Calculate the expected return and standard deviation of the portfolio return.
 - ii) The following data is available.
- | Particulars | Stock A | Stock B |
|----------------------------|---------|---------|
| Expected Return | 16 % | 12 % |
| Standard Deviation | 15% | 8% |
| Coefficient of Correlation | 0.60 | |
1. What is the covariance between stocks A and B?
 2. What is the expected return and risk of a portfolio in which A and B have weights of 0.6 and 0.4 respectively.
- b) Elaborate the concept of Efficient Market Hypothesis with appropriate examples.
