

MP-501

December - Examination 2015

MBA IInd Year Examination**Security Analysis and Portfolio Management****Paper - MP-501****Time : 3 Hours]****[Max. Marks :- 80**

Note: The question paper is divided into three sections A, B and C. Write answers as per given instructions.

Section - A

8 x 2 = 16

(Very Short Answer Questions)

Note: Answer all 8 questions. As per the nature of the questions you delimit your answer in one sentence up to 30 words. Each question carries equal marks.

- 1) (i) Why do people invest? Explain.
- (ii) Explain negotiable financial instruments.
- (iii) Discuss the concept of saving.
- (iv) What is warrant?
- (v) Describe securities market.
- (vi) What is stock market?
- (vii) Discuss the SEBI regulations.
- (viii) What is risk?

Section - B

4 x 8 = 32

(Short Answer Questions)

Note: Answer any 4 questions. Each answer should not exceed 200 words. Each question carries 8 marks.

- 2) What are the techniques used in economic analysis? Discuss.
- 3) What is the need of company analysis? Discuss.
- 4) What are the criticisms of technical analysis? Explain.
- 5) Explain the risk diversification.
- 6) Describe the key assumptions underlying CAPM.
- 7) Describe how the sensex measure of performance is calculated?
- 8) Why is portfolio revision not free of cost? Explain.
- 9) Define investment companies.

Section - C

2 x 16 = 32

(Long Answer Questions)

Note: Answer any 2 questions. Each answer should not exceed 500 words. Each question carries 16 marks.

- 10) Differentiate between investment and speculation.
- 11) Mr. X has a perpetual bond of face value of ₹ 1000. He receive an interest of ₹ 80 annually. Its current value is ₹ 1200. What is the rate of yield of maturity? Explain.
- 12) What is stock exchange? Explain its features.
- 13) What are the different types of risk? Explain how are they diversified?