

11. “Economic—industry—company (EIC) framework provides a useful approach in equity investment decision.” Explain and illustrate.
12. The current price of a company’s share is ₹ 200. The company is expected to pay a dividend of ₹ 5 per share next year with an annual growth rate of 10 percent. If an investor’s required rate of return is 12%, should he buy the share ?
13. What is SEBI ? Explain the role of SEBI in capital market.

MP–501

December – Examination 2023

Master of Business Administration (IInd Year) Examination

SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Paper : MP-501

Time : 3 Hours]

[Maximum Marks : 80

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

Section–A

8×2=16

(Very Short Answer Type Questions)

Note :- Answer all questions. As per the nature of the question delimit your answer in one word, one sentence or maximum up to **30** words. Each question carries 2 marks.

1. (i) Write any *two* features of investment.
- (ii) What do you mean by variable income securities ?
- (iii) Explain deficit.
- (iv) What do you mean by Market Value ?
- (v) Why money laundering must be Stopped ?
- (vi) What do you mean by Rational Risk ?
- (vii) What do you mean by dividend Yield Ratio ?
- (viii) What is Portfolio Management ?

Section-B **4×8=32**

(Short Answer Type Questions)

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

2. What do you mean by non-negotiable financial instruments ? How are these different from negotiable financial instruments ? Explain.
3. 'A small investor should enter the stock market through the Mutual fund route'. Do you agree with this statement ? Discuss.

4. Explain the steps of performing company analysis.
5. What is the function of stock exchange ? How does it help in capital formation in economy ?
6. There is a close relationship between savings and economic growth. Critically examine.
7. What are the different types of risk ? Explain how are they diversified ?
8. How is technical analysis different from fundamental analysis ? Explain.
9. Discuss the use and importance of stock market indices.

Section-C **2×16=32**

(Long Answer Type Questions)

Note :- Answer any *two* questions. You have to delimit your each answer maximum up to **500** words. Each question carries 16 marks.

10. Why do people invest ? What are the factors which are favourable for making investments in an economy ?