

**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. “Investment is a well grounded and carefully planned speculation.” In the light of the above statement, explain and differentiate between ‘Investment’ and ‘Speculation’.
11. What is the function of Stock Exchange ? How it help in capital formation in economy ? Explain.
12. What is the meaning of Company Analysis ? What financial statements in your opinion are helpful in undertaking the company’s prospects ?
13. In terms of the Markowitz Portfolio Model, explain how an investor identifies his/her optimal portfolio. What specific information does an investor need to identify optimal portfolio ?

MP-501/4

( 4 )

**T-500**

**MP-501**

**June – 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.

MP-501/4

( 1 )

**T-500** Turn Over

1. (i) What do you mean by Portfolio Evaluation ?
- (ii) What is Purchasing Power Risk ?
- (iii) What do you mean by Fixed Income Securities ?
- (iv) What is Sweat Equity ?
- (v) What do you mean by Book Value ?
- (vi) What is Primary Market ?
- (vii) What do you mean by Diversification of Portfolio ?
- (viii) What is Portfolio Revision ?

**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. Explain negotiable financial instruments in detail with suitable examples.

3. 'A small investor should enter the stock market through the Mutual Fund Route'. Do you agree with this statement ? Discuss.
4. Discuss the concept of Saving. Explain the useful concept of savings.
5. A company is presently paying a dividend of ₹ 6 per share and is expected not to deviate from this in future. Calculate the value of the share, if the required rate of return is 15%.
6. What do you understand by bonds in Perpetuity ? How are they valued ? Explain.
7. What are the different types of Risk ? Explain how they are diversified.
8. Explain the nature and methodology of Trend Analysis. What is the primary difference between 'Line Chart' and 'Bar Chart' ?
9. Explain the need and scope of portfolio management.