Paper Code: MBA-FM-02	Roll No.										

M.B.A
(SEM III) ODD SEMESTER EXAMINATION 2015-16
SECURITY ANALYSIS AND INVESTMENT MANAGEMENT

[Time: 3 hrs.] **[Max. Marks: 100]**

Note- ***Attempt All Questions. All Questions carry equal marks*****:-**

1) **Attempt any four part of the following:** **(5×4= 20)**
   a) What is screen based trading? How it is different from floor trading?
   b) Discuss the benefits of Rolling Settlement?
   c) What are depositories and write the role of depositories in securities trading.
   d) What is book building?
   e) Discuss the role of the NSE in reforming the stock market in India.
   f) Define systematic and Unsystematic risk.
2) **Attempt any two parts of the following:** **(10×2= 20)**
   a) What are different approaches to valuation of an equity share?
   b) Explain the technical analysis? How is it different from Fundamental analysis?
   c) How Dow theory and Elliott Wave theory determine the direction of Stock market?
3) **Attempt any two parts of the following**: **(10×2= 20)**
   a) Explain the Efficient Market Hypothesis and three forms of market efficiency.
   b) Discuss the role played by SEBI as the developing and regulatory agency of Capital market in India.
   c) Define derivatives? Differentiate between Forward and Future derivatives.

4) **Attempt any two parts of the following**: **(10×2= 20)**
   a) Explain the risk return relationship formulated by HM model. How efficient portfolio is built as per HM model?
   b) Explain the capital asset pricing model. How does it help in estimating the expected return of a security?
   c) A bond of Rs. 1,000 bearing a coupon rate of 12% is redeemable at par in 10 years. Find out the value of the bond if
      1) Required rate of return is 12% or 10% or 14%.
      2) Required rate of return is 14% and the maturity period is 8years or 12years.
5) **Attempt any two parts of the following**: **(10×2= 20)**
   a) What is security market line? How is it different from CML?
   b) What are different measures for evaluation of performance of a portfolio?
   c) Following information is available in respect of five portfolios

Portfolio	Expected return	Standard deviation
I	13%	80%
II	10%	60%
III	17%	13%
IV	8%	3%
V	20%	18%

Which portfolio is best in terms of expected return? An investor opts for best portfolio but want to reduce the risk to 4%, what will be the expected return?