D 115144　　　　　　　(Pages : 3)　　　　　Name...

　　　　　　　　　　　　　　　　　　　　　　　Reg. No.....................................

THIRD SEMESTER M.B.A. DEGREE [2016 SCHEME] EXAMINATION JANUARY 2025

M.B.A. (CUCSS)

BUS 3C 21—INVESTMENT MANAGEMENT

Time : Three Hours　　　　　　　　　　　　　　　　　Maximum : 36 Weightage

Part A

Answer **all** *the following.*
Each question carries 1 *weightage.*

1. What is financial investment ?

2. Define Systematic risk.

3. List out the purpose of company analysis ?

4. What is diversification ?

5. What is Mutual Fund ?

6. Who is a Depository Participant ?

(6 × 1 = 6 weightage)

Part B

Answer any **four** *of the following.*
Each question carries 3 *weightage.*

7. Explain the methods of flotation of shares in the Primary Market ?

8. Explain various charts used in Technical Analysis ?

9. What do you mean by strong form of Market efficiency ?

10. Mr. X bought 10 shares in Swastika co ltd. at a price of Rs. 150 per share. After a year the Company declared dividend at Rs. 20 per share. Mr X. wants to sell these shares at Rs. 180. Calculate total return on the security ?

11. Explain the services provided by the Merchant Bankers ?

Turn over

12. From the following details, compute expected rate of return using CAPM Model :

Beta value of the investment ... 1.8

Risk free rate of return ... 7 %

Market rate of return ... 10 %

(4 × 3 = 12 weightage)

Part C

Answer any **three** *of the following.*
Each question carries 4 *weightage.*

13. Explain Major Stock Exchanges in India ? Describe NIFTY 50 and SENSEX ?

14. Explain Fundamental analysis ? How it is different from Technical analysis ?

15. A stock costing Rs. 50 pays no dividend .The possible prices of the stock at the end of the year and their probabilities are given below :

End Price	Probability
60	0.1
65	0.2
70	0.4
75	0.2
80	0.1

Calculate Expected return and Risk.

16. The following data give the market return and return of ABC Company stock for a particular period :

Index Return (Rm)	Scrip Return (Ri)
.50	.30
.60	.60
.50	.40
.60	.50
.80	.60

Index Return (Rm)	Scrip Return (Ri)
.50	.30
.80	.70
.40	.50
.70	.60

Calculate the risk of the above stock and comment.

17. Explain Portfolio Analysis ? How do we calculate risk and return of Portfolio ?

(3 × 4 = 12 weightage)

Part D

Compulsory *question.*

Question carries 6 *weightage.*

18. Mr. Anand is having units in a mutual fund for the past three years. He wants to evaluate its performance by comparing it to the market.

	Fund	Market
Return	70.60	41.40
Standard Deviation	41.31	19.44
Risk-free rate	2	2
Beta	1.12	

Find out Sharpe and Treynor ratios. Comment.

(1 × 6 = 6 weightage)