

**Code: 12E01306b**

MBA (Finance) III Semester Supplementary Examinations November/December 2018

INVESTMENT & PORTFOLIO MANAGEMENT

(For students admitted in 2014 (LC), 2015 & 2016 only)

Time: 3 hours

Max. Marks: 60

Answer any FIVE questions
All questions carry equal marks

- 1 What is the meaning of investment? Discuss the different channels available to an investor for making investment.
- 2 Explain the structure, functions and responsibilities of capital markets in India.
- 3 What is the meaning of company analysis? What financial statements in your opinion are helpful in undertaking the company's prospects?
- 4 How is technical analysis different from fundamental analysis in investment management?
- 5 Calculate:
(i) Expected return of a security from the following information:
Beta = 0.8
Rate of return = 15%
Risk free interest = 5%.
(ii) Beta for a security, which has an expected return of 18%.
- 6 Discuss various types of risk and how they can be managed.
- 7 Alpha and beta coefficients for five stocks are given below:

Stocks	Alpha	Beta
Craft high Crop	1.0	0.8
Crown Crop	1.35	1.15
Courtesy Corp	1.18	1.25
Cute Corp	1.25	0.95
Cure Corp	1.5	1.4

Rank the five stocks using Jensen's performance measure.

- 8 What are the different kinds of investment companies? Do their strategies in portfolio management differ from individuals?

