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MS-44

MANAGEMENT PROGRAMME (MP)

Term-End Examination

June, 2020

**MS-44 : SECURITY ANALYSIS AND PORTFOLIO
MANAGEMENT**

Time : 3 Hours

Maximum Marks : 100

Note : (i) Attempt any five questions.

(ii) All questions carry equal marks.

1. (a) What do you mean by Investment ? Discuss the different channels or alternatives available to an investor for making investment.
- (b) "The investment process involves a series of activities starting from the policy formulation." Discuss.
2. Describe the various recent initiatives taken by the Securities and Exchange Board of India (SEBI) to protect the interest of the investors.

P. T. O.

3. (a) Distinguish between systematic risk and unsystematic risk. How do you measure these risks ?

(b) Face value of a Debenture = ₹ 1,000

Annual Interest Rate of

Debenture = 12 per cent

Maturity Period = 5 years

What is the value of the Debenture, if :

(i) Required rate of return is 12 per cent

(ii) Required rate of return is 15 per cent

(iii) Required rate of return is 10 per cent

4. (a) Make a comparison between Fundamental Analysis and Technical Analysis. Which one is more helpful to the investors, when they want to invest in capital market ?

(b) What are the tools of Technical Analysis ? Discuss about the various reversal and continuation price patterns found in Technical Analysis.

5. (a) What is Markowitz Diversification ? Explain the statistical method used by Markowitz to reduce the risks.
- (b) An investor purchases an equity share at a price of ₹ 100 now. Its expected year end price with relevant probabilities and expected year end dividend are as follows :

Probability	Share Price (₹)	Dividend (₹)
.20	125	5
.40	120	3
.30	115	2
.10	105	Nil

Find out the expected return and variability of return of equity share.

6. What do you mean by Portfolio Revision ? When is portfolio revision needed ? Critically appraise the various portfolio revision plans.
7. Discuss the different types of mutual fund schemes in India. Which one would you like to suggest for better investment ?

8. Write short notes on the following :

- (a) Sharpe's Single Index
- (b) Efficient Frontier
- (c) Elliot Wave Theory
- (d) Arbitrage Pricing Theory