



JP – 698

13

**III Semester M.B.A. (Day/Evening) Examination, May/June 2023
(CBCS) (2022 – 23 and Onwards) (Freshers)
MANAGEMENT**

Paper – 3.3.3 : Investment Analysis and Management

Time : 3 Hours

Max. Marks : 70

SECTION – A



Answer **any five** questions from the following. **Each** question carries 5 marks. (5×5=25)

1. Discuss the Sharpe's performance index.
2. Explain the bond portfolio management strategies.
3. Anshul is planning to invest in bond which is currently selling for Rs. 8,785.07. The bond has maturity period of 4 years, face value is Rs. 10,000. Its coupon rate is 8%. Annual interest would be due one year from today. The approx. discount factor for investments of risk is 10%. Calculate the intrinsic value of the bond.
4. Explain the need and importance of investment.
5. Market price of a share is Rs. 50, number of equity share is 50,000. The profits available for the equity shareholders is Rs. 2,00,000. Compute price-earnings ratios.
6. Discuss the classifications of preference shares.
7. What would be the value of equity share of ABC Ltd. If the company show zero growth but can maintain dividend. The capitalization rate of the company is 17% and current dividend is Rs. 5 per share. Calculate value of share.

SECTION – B

Answer **any three** questions from the following. **Each** question carries 10 marks.

(3×10=30)

8. Mr. Ashoka, 28-year-old is manager in restaurant. He has saved an amount of Rs. 20,000. He is thinking about how to invest his savings. He has approached you to get advice. Now as a financial planner advise him on which security he must invest and what are the benefits that he would get from the investment.

P.T.O.



9. A) Mr. Arjun has decided for purchasing securities of MK Ltd. He requires to earn 17% in next year. Beta value of company is 2.2. R_f is 8% and market return is 15%. Suggest what should be his decision about purchase.
- B) Mr. Kishore purchased stock at Rs. 7,000. The same share is having a net worth of Rs. 10,000 at end of year. Shareholder receives a dividend of Rs. 500. Calculate total return earned by Mr. Kishore.
10. Write notes on :
- Portfolio revision strategies.
 - Structure of Mutual Funds.
11. What is Fundamental Analysis ? How does Fundamental Analysis differ from Technical Analysis.

SECTION – C

12. **Compulsory** Case Study.

(1×15=15)

- A) Calculate Sharpe's Ratio on bases of following data and mention which mutual fund has performed best.

Mutual Funds	Expected Rate of Return	SD
P	10%	19.00
Q	11%	24.00
R	8%	14.00

- B) Analyze two mutual funds under Sharpe's, Treynor's and Jensen's measures.

Mutual Funds	Observed Return	Beta	Residual Value
A	15%	1.50	0.03
B	18%	1.80	0.00