QP CODE: 25804921

25804921

Reg No : ....

Name : ....

MBA DEGREE SUPPLEMENTARY EXAMINATION, NOVEMBER 2025

Third Semester

Master of Business Administration

ELECTIVE - MB800301 - SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

2019 Admission Onwards

11619230

Time: 3 Hours | Maximum Marks: 60

Part A

*Answer any **five** questions. Each question carries **2** marks.*

1. Who is an arbitrator?
2. What is private placement?
3. Who is a Depository Participant?
4. What are the regulatory functions of SEBI?
5. How is economic growth related to stock prices?
6. Stock prices are like random numbers.Examine.
7. Explain the concept of diversification and its role in reducing portfolio risk.

(5×2 = 10 Marks)

Part B

*Answer any **five** questions. Each question carries **6** marks.*

8. Explain briefly the meaning of stock exchange.
9. Explain the roles of NSDL and CSDL in facilitating the functioning of Indian stock market operations.
10. The economy is doing well and the growth in the industrial sector is moderate.On a particular day, the news of fall of the government at the centre hit the market.Immediately hysterical selling began and many stock prices fell by 15% to 25%.The SENSEX fell by 500 points in 3 hours.However, within a few days the shares resumed the same price they had been before the fall of the government.The market regained too.In your opinion, did the market temporarily collapse because of the interest rate risk, purchasing power risk, management risk or what else.Analyse it.

11. Discuss the significance of beta in assessing the risk of a security. How can beta be used to make investment decisions?
12. What are the basic principles of technical analysis?
13. How do two moving averages generate generate a buy and sell strategy?
14. Why does portfolio manager do the industry analysis?

(5×6 = 30 Marks)

Part C

*Answer any **two** questions. Each question carries **10** marks.*

Question number 17 is compulsory .

15. "Industry life cycle shows the status of the industry and gives clues as to entry and exit for investors."Elucidate.
16. Does an investor need to evaluate all the portfolios of 'feasible set' to determine his or her 'best' or 'optimal' portfolio? Support your answer with reasons.

Compulsory Question

17. Cipla 's efficient portfolio is with an expected return of 15% and standard deviation of 12%. Suppose that the lowest variance portfolio with zero correlation with the efficient portfolio has an expected rate of return of 5%. Next, assume that security Glaxo has a standard deviation of 20% and a correlation coefficient of 0.6 with the efficient portfolio. What does the expected rate of return on the asset have to be in order to be consistent with the mathematical relationship for efficient portfolios?

(2×10 = 20 Marks)