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BBABMC 362/BBMBMC 362

**Credit Based Sixth Semester B.B.A./B.B.M. Degree
Examination, September/October 2021
(2012 Scheme)
INVESTMENT MANAGEMENT**

Time : 3 Hours

Max. Marks : 120

Instruction : A single booklet containing 40 pages will be issued.
No additional **sheets** will be issued.

**SECTION – A
(Two marks each)**

Shri Dharmasthala Manjunatheswara
College of Business Management Library
MANGALORE - 575 003

Answer any ten of the following in 2 or 3 sentences each :

(10×2=20)

1. a) What do you mean by gambling ?
- b) Expand 'CRISIL' and 'CARE'.
- c) What is meant by intrinsic value of a share ?
- d) Name any two creditorship securities.
- e) What is guilt-edged security ?
- f) What is Nifty ?
- g) State the meaning of 'Listing of securities'.
- h) What do you mean by money market ?
- i) What is call option ?
- j) Name any four indices of Bombay Stock Exchange.
- k) The standard deviation of shares of Bajaj auto is 0.29, while that of market is 0.21, correlation coefficient is 0.93. Calculate the Beta coefficient.
- l) What is portfolio construction ?

P.T.O.



SECTION – B
(8 marks each)

Answer **any five** of the following in **not more than 2 pages each** : (5×8=40)

2. Explain the objectives of investment.
3. Explain the factors to be considered in economic analysis.
4. Write a note on National Stock Exchange.
5. Explain the different types of risks involved in investments.
6. What do you mean by listing of shares ? State the advantages of listing of shares.
7. Distinguish between investment and speculation.
8. For the period between Jan. 2020 and December 2020, the return on Sensex was 8.45% and the risk free return was 7.75% the Beta of some of the sensex shares is given below :

Shares :	Cipla	DLF	HDFC	HERO	TATA	SBI
Beta :	1.07	1.39	1.10	0.80	1.15	0.47

Calculate the expected rate of return.

SECTION – C
(20 marks each)

(20×3=60)

9. What are corporate securities ? Explain different kinds of corporate securities with their features.

OR

Given an option to invest in land, LIC and post-office, which one would you choose and why ?

10. What do you mean by fundamental analysis ? Discuss in detail the merits and demerits of fundamental analysis.

OR

Define stock exchange. Explain the role and functions of a stock exchange in modern Economy.

11. What is mutual fund ? Discuss the various benefits of mutual funds.

OR

Explain the concept of risk return profile. Explain the various types of risks involved in investment.