Reg. No. : ....

Code No. : 30443 E Sub. Code : AEBA 62

B.B.A. (CBCS) DEGREE EXAMINATION, APRIL 2023.

Sixth Semester

Business Administration

Major Elective — INVESTMENT MANAGEMENT

(For those who joined in July 2020 only)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Speculator is a person ————
   (a) Who evaluates the performance of the company
   (b) Who uses his own funds only
   (c) Who is willing to take high risk for high returns
   (d) Who considers here says and market behaviours

2. Horse racing, game of cards, lottery are the typical examples of ————
   (a) Investment (b) Speculation
   (c) Gambling (d) Arbitrage

3. ———— are financial assets.
   (a) Bonds (b) Machines
   (c) Stocks (d) (a) and (c)

4. ———— factors lead to activity of stock market.
   (a) Money supply
   (b) Per capita income
   (c) Unemployment rate
   (d) Manufacturing and trade

5. An example of a derivative security is ————
   (a) A common share of general motors
   (b) A call option on mobile stock
   (c) A commodity futures contract
   (d) (b) and (c)

6. The headquarters of the national stock exchange is situated in ————
   (a) Mumbai (b) Kolkata
   (c) Chennai (d) Delhi

7. Which of the following represents components of the organized sector of the capital market?

    (a) Stock exchange   (b) Commercial banks

    (c) Investors   (d) All the above

8. The financial body that has asked intermediaries and companies to make regulatory payments in digital mode is ———

    (a) Reserve Bank of India (RBI)

    (b) Securities Exchange Board of India (SEBI)

    (c) Bombay Stock Exchange (BSE)

    (d) National Stock Exchange (NSE)

9. Investment decision making traditionally consist of two steps ———

    (a) Investment banking and security analysis

    (b) Buying and selling

    (c) Risk and expected return

    (d) Security analysis and portfolio management

10. In order to determine the expected return of a portfolio, all of the following must be known except ———

    (a) Probabilities of expected returns of individual assets

    (b) Weight of each individual asset to total portfolio value

    (c) Expected return of each individual asset

    (d) All of the above must be known in order to determine the expected return of a portfolio

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).
Each answer should not exceed 250 words.

11. (a) What are the characteristics of investment management?

Or

    (b) Explain the different types of investor.

12. (a) Explain the important role of capital market.

Or

    (b) Explain the types of capital market.

13. (a) Explain the features of derivatives instrument.

Or

(b) Explain the investor protection measures by SEBI.

14. (a) Write a note on objectives and functions of capital market.

Or

(b) Explain in detail on tools and advantages of fundamental analysis.

15. (a) Explain the benefits of portfolio management.

Or

(b) Dow theory in portfolio management? Explain it.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).
Each answer should not exceed 600 words.

16. (a) Discuss the factors influencing selection of investment alternatives.

Or

(b) Discuss in detail about types and classification of investment.

17. (a) Discuss in detail about structure of capital market.

Or

(b) Difference between money market and capital market.

18. (a) Discuss in detail about classification of financial derivatives.

Or

(b) Explain the basic functions of securities market with suitable example.

19. (a) Discuss the various functions of SEBI.

Or

(b) Examine the role of SEBI in regulating the capital market.

20. (a) Examine the meaning, objectives and phases of portfolio management.

Or

(b) Enumerate the EIC framework.

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Nesamony Memorial Christian College, Marthandam