



**V Semester B.B.A. Examination, March 2023
(CBCS) (F+R) (2016-17 and Onwards)
BUSINESS ADMINISTRATION
Paper – 5.3 : Investment Management**

Time : 3 Hours

Max. Marks : 70

Instruction : Answers should be written in **English** only.

SECTION – A

Answer **any five** of the following sub-questions. **Each** sub-question carries **two** marks : (2×5=10)

1. a) Give the meaning of risk.
- b) What is sweat equity ?
- c) Expand ULIP and NAV.
- d) State any four mutual funds companies in India.
- e) What do you mean by warrant ?
- f) Define portfolio.
- g) What is economic analysis ?

SECTION – B

Answer **any three** of the following questions. **Each** question carries **six** marks : (6×3=18)

2. Explain in brief any three types of capital market securities.
3. Distinguish between investment and speculation.
4. Briefly explain Markowitz model of portfolio management.
5. Briefly explain warrants.
6. Find out expected rate of return from the following :

Economic condition	Probability of occurrence	% of return
Boom	0.6	12
Normal	0.5	10
Recession	0.3	7



SECTION – C

Answer **any three** of the following questions. **Each** question carries **fourteen** marks : **(14×3=42)**

7. Explain the different types of risks in detail.
8. Explain briefly the various money market instruments.
9. What do you mean by "Mutual funds" ? Explain the advantages and risk associated with mutual funds.
10. What is fundamental analysis ? Explain the role of economic factors in fundamental analysis.
11. Given below are the likely returns in case of shares of 'A' Ltd. and 'B' Ltd. in the various economic condition. Both the shares are presently quoted at Rs. 100 per share.

Economic Condition	Probability	Returns of 'A' Ltd.	Returns of 'B' Ltd.
High growth	0.3	100	150
Low growth	0.4	110	130
Stagnation	0.2	120	90
Recession	0.1	140	60

Which two companies has risky investments ?
