

**MMS/D11****6089****Security Analysis and Investment Management****Paper : FM-307**

Time : Three Hours]

[Maximum Marks : 70

**Note :-** Attempt **FIVE** questions in all. Question no. 1 is compulsory.

All questions carry equal marks.

1. Explain briefly :

- (i) Reverse book building
- (ii) Registrar to an issue
- (iii) e-IPO
- (iv) Red Herring Prospectus
- (v) Rolling settlement
- (vi) Beta
- (vii) Stock market index.

7×2=14

2. (a) Carefully describe the risk return trade-off faced by all investors.

(b) Is the study of investments really important to most individuals ?

7+7=14

3. (a) Procedure of listing of securities

(b) Procedure of investing in equity shares.

7+7=14

4. (a) A company paid a cash dividend of Rs. 4 per share on its stock during the current year. The earnings and dividends of the company are expected to grow at an annual rate of 8 per cent indefinitely. Investors expect a rate of return of 14 per cent on the company's shares. What is a fair price for this company's shares ?

(b) What is yield to maturity ? How is it calculated ? 7+7=14

5. (a) Describe real estate investment.  
(b) How investment in money market instruments is different from investment in capital market instruments ? 7+7=14
6. Explain how informations obtained from technical analysis are useful to investors ? 14
7. What is meant by an efficient market ? What are the benefits to society of an efficient market ? 14
8. Write a detailed note on recent developments in Indian Capital Market. 14