

**Time: 2 Hours**

**Marks: 60**

Q.1 What is portfolio Management? What are the phases in Portfolio Management? What are its advantages? (15)

**OR**

Q.1 a) What are the reasons for rise in Investment awareness in India (08)

Q.1 b) Write a note on Portfolio Revision Strategies (07)

Q.2 Following accounting information and financial ratio of Loafer Ltd relate to the year ended 31<sup>st</sup> March 2023: (15)

Inventory Turnover Ratio	8 times
Creditors Turnover Ratio	14 times
Debtors Turnover Ratio	7 times
Current Ratio	2.4
Gross Profit Ratio	25%

Total Sales Rs 3000000, Cash Sales 25% of Credit Sales, Cash Purchases Rs 2300000, Working Capital 280000. Closing inventory Rs 80000 more than opening inventory . Calculate : i) Average Stock ii) current asset and current liabilities iii) opening stock iv) current liabilities

**OR**

Q.2 a) Explain Technical analysis and elaborate Trends and Trend Reversals in detail (08)

Q.2 b) What are the different Leverages? Explain the three leverages in detail (07)

Q.3. What is Efficient Market Hypothesis? Explain in detail all forms of Efficient Market Hypothesis (15)

**OR**

Q.3 a) Calculate the duration of an annual bond of Rs. 100 with 9% coupon and yield to maturity of 9% ,redeemable at par. Life =10 years (10)

Q.3 b) A limited has a bond of Face value Rs 100. the present value of the bond is Rs. 87.50 . The bond carries an interest rate of 7% . The maturity is 6 years. You are required to calculate the yield to maturity. (05)

Q.4 Short Notes (any 3) (15)

1. Portfolio Evaluation
2. Elliott Wave
3. Simple Moving Average
4. Support and resistance
5. Yield to Maturity

**OR**

Q.4 a) Choose the correct alternative for the following Multiple Choice Questions.

(Any 8)

(08)

1. The ..... EMH Implies that the market is efficient, it reflects all information both Public & Private.
  - A) Weak Form
  - B) Semi-Strong Form
  - C) Strong Form
  - D) None of the above
2. The ..... Theory states that market & securities prices are random & not influenced by past events.
  - A) Efficient Market Hypothesis
  - B) The Dow Jones Theory
  - C) Elliott Wave Theory
  - D) Random Walk Theory
3. Which Theory believes that the investors prefer larger to smaller return from securities?
  - A) Modern
  - B) Traditional
  - C) Markowitz
  - D) Sharpe
4. The fundamental analysis has been associated with .....
  - A) Uncertainties
  - B) Certainties
  - C) Ratio
  - D) Balance Sheet
5. Current Ratio is a ..... Ratio
  - A) Activity
  - B) Solvency
  - C) Profitability
  - D) Liquidity
6. The efficient frontier is the set of \_\_\_\_\_ portfolios that offers the highest expected return for a defined level of risk or the lowest risk for a given level of expected return.
  - A) Optimal
  - B) Multi-Index
  - C) Low-Index
  - D) Secured
7. Calculate Average return for 5 years if expected returns are 6%, 8%, 10%, 6%, and 5%.
  - A) 7%
  - B) 8%
  - C) 7.5%
  - D) 10%

8. Calculate expected return for PQR ltd. If probability is 0.5 & return is 20%.

- A) 4%
- B) 40%
- C) 10%
- D) 1%

9. Fixed rate of interest of bond is also known as \_\_\_\_\_.

- A) Coupon rate
- B) Default rate
- C) Yield rate
- D) Risk rate

10. Portfolio evaluation refers to the evaluation of the \_\_\_\_\_ of the portfolio.

- A) Performance
- B) Revision
- C) Calculation
- D) Reactive

Q.4 b) State Whether the following statements are True or False. (Any 7) (07)

1. Capital Employed means the combination of financial assets & physical assets.
2. Marketability refers to buying & selling of Securities in Marketing
3. A Mutual Fund is a professionally managed income scheme.
4. Revision is the last step in the process of portfolio management.
5. The Face Value of a bond is the price at which the bond is sold to investors when first issued.
6. The duration of a zero-coupon bond is the same as its Maturity.
7. The risk at pioneering stage is very high.
8. Examples of Solvency Ratios Includes Current Ratio and quick ratio.
9. Resistance level is the lower price level at which supply for the share gains momentum.
10. Technical Analysis believe that history tends to repeat itself.

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