

INVESTMENT MANAGEMENT

[Time: 3.00 Hrs.]

[Marks: 80]

N.B (1) Question NO-1. Is a compulsory.

(2) Attempt any three questions from Q. No-2 to Q. No- 5.

Q1. State Whether the following statement is True or False.

(10)

1. A Primary trend may be a dull market moving in a steady upwards direction or a bear market steadily dropping.
2. Japanese's candle sticks charts from the basis of technical analysis.
3. Ratio is a relationship between two Alphabets expressed in numerically.
4. EVA- net operating profit after Tax – (Capital Invested * Weighted Avg cost of capital).
5. Leverage Means the use of a lever to raise low objects with heavy force.
6. Institutional Investor are institutional that mobilized money from Individual and other sources and invest them in financial Assets.
7. Income is secondary objectives of investment.
8. Pioneering Stage is the Second stage of industry life Cycle.
9. In the declining stage companies has spent huge amount for advertisement for promotion of goods and services
10. Gross Domestic products is the total market value of a nation output.

Q1(b). Fill in the banks:

(10)

- a. Cattle breeding is a _____ Industries.
- b. NASDAQ _____ (Full Form)
- c. _____ is a CEO And Chairman of Berkshire Hathway.
- d. _____ features of secondary markets.
- e. _____ is the difference between the government total receipt and total expenditure.
- f. _____ are main drivers of a stock market
- g. Balance Sheet shows the assets, liabilities and _____ owners' equity in a company.
- h. _____ ratio means ability of the company to pay the short-term debts in time.
- i. _____ arises out of changes in demand and supply of goods and services in the market.
- j. _____ developed algorithm to minimised portfolio risks.

Q2. A. Write a note on porter's five Force Model.

(10)

B. Explain the stages of complete life Cycle of an industry.

(10)

Q3.A. Explain Markowitz theory.

(10)

B. From the following balance sheet of Ganesh Ltd. Company.

(10)

a) Liquid Ratio, b) Proprietary Ratio, c) stock Turnover ratio, d) capital Gearing Ratio, e) Debtor velocity.

Balance sheet as on 31st March, 2023.

Liabilities	Amt	Assets	Amt
Preference shares Capital	2,00,000	Fixed Assets	12,00,000
Equity Shares Capital	5,00,000	Stock	5,40,000
Reserved	10,00,000	Sundry Debtors	8,00,000
Secured Loans	4,00,000	Advance income- tax	1,20,000
Current liabilities	5,40,000	Cash at bank.	7,90,000
Provision	8,10,000		
Total.	34,50,000	Total.	34,50,000

Total sales during the year were Rs 77, 76,000 (including cash sales Rs- 5,76,000) which yielded a gross profit of 25% on sales. The stock on 31st march 2023 was Rs- 4,32,000. Assume for your working 360 days for the year.

Q.4 A. The expected return and beta factors of 3 securities are as follows.

(10)

Securities	Expected Return	Beta factor
Parrot Ltd.	17%	1.6
Dove Ltd	10%	0.7
Eagle	16%	1.3

If the risks free rate is 8% and market returns are 15%. Calculate return for each security under CAPM.

B. You are required to calculated Beta Factor for the Falcon Ltd.

(10)

Year	Return On Security	Market (%)
1	13	15
2	14	16
3	15	17
4	13	14
5	12	12

Q5. Write Short Notes on (Any Four).

(10)

- Types of Chart Pattern.
- Dow Theory.
- Types of Risks.
- Market Sentiments Indicators.
- Types of future Contact