

UNIVERSITY PAPER

S.Y.B.F.M

SEM-III

OCT.-2018

Please check whether you have got the right question paper.

- N.B:** 1. Figures to the right indicate full marks.
2. All questions are compulsory.

Q.1 OBJECTIVE QUESTIONS (15 MARKS)

A. FILL IN THE BLANKS (any 8)

08

- (1) A guarantee which is limited to a single transaction is called _____
 (a) *Simple guarantee* (b) *Continuing guarantee*
 (c) *No guarantee* (d) *both a & c*
- (2) _____ parties are required in a contract of sale.
 (a) 3 (b) 2
 (c) 1 (d) *None of the above*
- (3) _____ implies an **Agreement + Conveyance** of property.
 (a) *Sale* (b) *Defacto* (c) *None of the above*
- (4) _____ means the right is stopping the goods while they are in transit, to regain possession and retain them, till the full price is paid.
 (a) *Right of Lien* (b) *Right of Stoppage in Transit*
 (c) *None of the above* (d) *both*
- (5) An accommodation instrument means which has been accepted, made OR indorsed "_____" and for help of a party.
 (a) *With consideration* (b) *Without consideration* (c) *Maxim*
- (6) _____ is taking something away as punishment.
 (a) *Forfeit* (b) *Fraud* (c) *None of the above*
- (7) _____ means a court order to a party to carry out his obligation in a contract.
 (a) *Agency* (b) *Lieu*
 (c) *Specific Performance* (d) *None of the above*
- (8) Damages which are not fixed for a fixed amount of money but are awarded by a court as a matter of discretion are _____.
 (a) *Liquidated Damages* (b) *Unliquidated Damages*
 (c) *None of the above*

Turn Over

- (9) _____ is rule of law by which a person is prevented from denying or asserting a fact in legal proceedings.
- (a) *Estoppel* (b) *Injunction*
(c) *Agreement* (d) *None of the above*

- (10) Bill of Exchange has _____ parties.
- (a) 2 (b) 3
(c) 4 (d) *None of the above*

(b) **True or False (Any 7)**

07

- 1) Anyone can be a drawee in case of Bill of Exchange.
- 2) Contract= Agreement + Enforceability.
- 3) I promise to pay B OR order Rs. 500/- is an example of a promissory note.
- 4) Consumer is a person who buys and uses goods and services.
- 5) A Contract of Indemnity has 2 parties.
- 6) When possession is deemed to be transferred is Constructive Delivery.
- 7) Buyer means a person who buys OR agrees to buy goods i.e. a mere agreement to buy is enough to make a person a buyer.
- 8) Fine for cheque bouncing is thrice the amount of cheque.
- 9) An unpaid seller has no rights.
- 10) Contingent Contract does not depend on happening or non-happening of some event in future.

Q.2 Define consideration and explain the essential of valid consideration? 15

OR

Q.2 What do you mean by Principle and agent relation. Discuss the Rights, Duties and Liability of an agent? 15

Q.3 Explain "Fraud" as defined in the Indian Contract Act, 1872. Distinguish between Fraud and Misrepresentation. 15

OR

Q.3 (a) When is consent said to be free? Explain briefly 07
(b) Discuss the duties of the bailor and bailee? 08

Q.4 What is a contract of sale of goods? What are the distinguishing points between sale and agreement to sell? 15

OR

Q.4 Explain holder in due course. What are his privileges? 15

Turn Over

Q.5 Write short notes on any three of the following:

15

- a) Minor's Agreement
- b) Essential of Wager Agreements
- c) Bill in set
- d) Exceptions to Doctrine of Caveat Emptor
- e) Rights of bailor

07

15

15

5

7

8

5

5

Turn Over

Please check whether you have got the right question paper.

Instructions

1. All questions are compulsory with internal options

Q1. a. Fill in the blanks: (Any 8)

(08)

- i. ----- is issued for 91/ 184/ 364 days.
- ii. The tenure of the transactions of ----- is from 2 days to 14 days.
- iii. FIMMDA was incorporate in the year-----.
- iv. I promise to pay B or order is a -----.
- v. ----- are renewed every day.
- vi. An IPA is mandatorily appointed for a -----.
- vii. Mutual funds are regulated by -----.
- viii. Minimum maturity period of a commercial paper is -----.
- ix. -----market deals with short term instruments.
- x. The bill drawn on Indian resident is known as -----.

Q1. B. Match the following: (any 7)

(07)

Column A

Column B

- | | |
|---------------------|--|
| 1) RBI | a) The bill which need to have documents |
| 2) Documentary bill | b) A Mutual fund entity |
| 3) DFHI | c) 1988 |
| 4) Birla sun life | d) Credit rating agencies |
| 5) FEDAI | e) Central bank |
| 6) Repo | f) Secondary market |
| 7) SLR | g) Negotiated dealing screen |
| 8) STCI | h) Repurchase agreement |
| 9) NDS | i) Monetary policy |
| 10) CRISIL | j) Foreign Exchange Dealers Association of India |

Q2. a. Briefly explain features of money market.

(08)

Q2. b. Who are primary dealers in money market and what is their role.

(07)

OR

Q2. c. Explain how money market is significant to the Economy.

(15)

Q3. a. Explain "Role of RBI in development of money market in India".

(15)

OR

Q3. b. Explain the role of FIMMDA and FEDAI.

(15)

Q4. a. Explain the role of credit rating agencies in money market.

(08)

Q. P. Code: 19901

Q4. b. Elaborate on Integration of unorganized sector with organized sector. (07)

OR

Q4. c. Discuss advantages and disadvantages of money market mutual funds. (15)

Q5. a. Discuss any 3 conventional money market instruments. (08)

Q5. b. Explain various types of commercial bills. (07)

OR

Q5. Write short notes: **(Any 3)** (15)

- i. DFHI
- ii. Commercial banks
- iii. Indigenous bankers
- iv. Repo market
- v. Innovative instruments in Money market

BFM Semester III

29-10-18
Time: 2.5 hours

Marks: 75

Instructions:

1. There are 5 questions with internal choice
2. Each question carries 15 marks
3. Suitable assumptions and working notes should form the part of your answer
4. Figure to right hand side indicate full marks
5. Please check whether you have got the right question paper

Q.1. (A) Multiple Choice questions (any 8)

(8)

- 1) For a Car manufacturing company, income from sale of car is cash inflow from
(a) Operating Activity (b) Financing Activity (c) Investing Activity (d) All of these
- 2) Interest is _____ element of cost.
(a) Tax deductible (b) Appropriation out of profit (c) Income (d) Dividend
- 3) Operating Profit is calculated as _____
(a) Gross Profit less operating expenses (b) Net Profit less operating expenses
(c) Sales less cost of goods sold (d) Net profit plus interest
- 4) Dividend payment on preference shares is _____
(a) Mandatory (b) Optional (c) Monthly (d) None of these
- 5) In cash flow statement, increase in stock is _____
(a) Stock turnover ratio (b) No Impact (c) Inflow (d) Outflow
- 6) Outstanding expenses are part of _____
(a) Current Assets (b) Fixed Assets (c) Current Liabilities (d) Stock
- 7) Depreciation is _____
(a) Non cash expenditure (b) Non cash income (c) Current Liabilities (d) None of these
- 8) If Sales for the 2018 is Rs.2,00,000 and sales for 2017 is 1,00,000; the company is said to be grown by _____% over previous year.
(a) 1% (b) 200% (c) 50% (d) 100%
- 9) Capital Employed is _____
(a) Shareholder's equity + Reserves & surplus (b) Fixed Assets + Working capital
(c) Shareholders equity + long term borrowings (d) both b & c
- 10) Marketable securities are part of _____
(a) Current Liabilities (b) Current Assets (c) Finished goods (d) Loan

Q.1 (B) True / False (any 7)

(7)

- 1) Management Accounting helps management to forecast and prepare plans for the future activities of business.
- 2) In Common size Income statement Sales is considered as 100%
- 3) Interest coverage ratio indicates firm's ability to meet the interest obligation.
- 4) Excess of sales over cost of goods sold is gross profit.
- 5) In Trend analysis 1st year figures are considered as 100% for calculating trend of figures.
- 6) Temporary working capital is known as core working capital.
- 7) The focus of management accounting is on External reporting.
- 8) Changes in working capital are considered while calculating cash from investing.
- 9) Debtors under principle of conservatism are valued at selling price.
- 10) In cashflow statement, transfer to general reserve is deducted from Net profit for calculating cash from operations.

Q. 2 From the following financial statement of Swap limited prepare a Common size Income statement & Balance sheet and offer your comments. (15)

Dr. Profit & Loss Account for the year ended 31st March, 2018		Cr.	
Particulars	Rs.	Particulars	Rs.
To Opening stock	80,000	By Sales	4,00,000
To Purchases	2,40,000	By Closing stock	1,20,000
To Wages	50,000		
To Factory Overheads	50,000		
To Gross Profit c/f.	1,00,000		
	5,20,000		5,20,000
To Admin expenses	15,000	By Gross Profit b/d.	1,00,000
To S&D expenses	10,000	By Dividend received	6,000
To Depreciation	13,000		
To Interest on debentures	4,000		
To Net Profit c/f.	64,000		
	1,06,000		1,06,000
To Preference Dividend	3,000		
To Provision for tax(2018)	21,000	By Net Profit b/d.	64,000
To Retained Earnings	40,000		
	64,000		64,000

OR

Q.2 From the following data prepare Comparative Balance sheet of M/s. Reena Limited in Vertical form & offer your comments. (15)

Balance Sheet as on 31st March

Liabilities	2017 (Rs.)	2018 (Rs.)	Assets	2017 (Rs.)	2018 (Rs.)
Share Capital	70,000	80,000	Building	55,000	80,000
P&L A/c.	20,000	20,000	Machinery	43,000	50,000
Debentures	20,000	30,000	Stock	25,000	5,000
Other Secured loans	10,000	20,000	Debtors	15,000	10,000
Creditors	10,000	3,000	Cash	2,000	15,000
Bank overdraft	8,000	4,000			
Outstanding expenses	2,000	3,000			
Total	1,40,000	1,60,000	Total	1,40,000	1,60,000

Q.3 Extracts from the financial accounts of Zingat Limited are given below: (15)

Balance Sheet as on 31st March

Liabilities	2018 (Rs.)	Assets	2018 (Rs.)
Equity Capital	1,00,000	Fixed Assets	1,80,000
9% Preference shares	50,000	Stock	25,000
8% Debentures	50,000	Debtors	55,000
Retained Earnings	20,000	Bills Receivables	3,000
Creditors	45,000	Bank	2,000
Total	2,65,000	Total	2,65,000

Convert the Balance sheet into Vertical form and calculate following ratios:

- 1) Current Ratio 2) Quick Ratio 3) Stock to Working capital Ratio 4) Debt Equity Ratio
5) Capital Gearing Ratio.

Offer 1 liner comments for each ratio.

OR

Q.3 From the Balance sheet and P&L of Meenu limited calculate the following ratios and offer your comments briefly. Vertical statements are not mandatory. (15)

- 1) Current Ratio 2) Debt Equity Ratio 3) Proprietary Ratio 4) Stock to Working capital ratio
5) Debtors Turnover Ratio 6) Creditors Turnover Ratio 7) Gross Profit Ratio 8) Net Profit Ratio

Balance Sheet as on 31st March 2018

Liabilities	2018 (Rs.)	Assets	2018 (Rs.)
Preference Capital	50,000	Building	1,85,000
Equity Capital	1,00,000	Long Term Investment	40,000
Reserves	35,000	Stock	35,000
10% Debentures	50,000	Debtors	30,000
Creditors	20,000	Cash & Bank	10,000
Outstanding expenses	45,000		
Total	3,00,000	Total	3,00,000

Dr. P&L for the year ended 31st March 2018 Cr.

Particulars	Rs.	Particulars	Rs.
To Cost of goods sold	1,75,000	By Sales	3,00,000
To Admin expenses	25,000		
To Finance expenses	15,000		
To Selling expenses	20,000		
To Depreciation	15,000		
To Provision for Tax	20,000		
To Net Profit	30,000		
	3,00,000		3,00,000

Q.4 Balance sheets of M/s Neelu Limited are given below: (15)

Liabilities	2017 (Rs.)	2018 (Rs.)	Assets	2017 (Rs.)	2018 (Rs.)
Share Capital	35,000	37,000	Cash	4,500	3,500
Debentures	6,000	3,000	Debtors	7,450	8,250
Creditors	5,180	5,920	Stock	24,600	22,350
Prov. for doubtful debts	350	400	Land	10,000	15,000
P&L	5,020	5,280	Goodwill	5,000	2,500
Total	51,550	51,600	Total	51,550	51,600

Additional Information:

- 1) Dividend paid amounted to Rs.1,750.
 - 2) Land was purchased for Rs.5,000 and amount provided for amortisation of goodwill amounted to Rs.2,500.
 - 3) Debentures were repaid to the extent of Rs.3,000.
- You are required to prepare a Cash flow statement under Indirect Method.

OR

Q.4 The following is cost sheet of Bilal limited producing 48,000 similar types of products. (15)

Particulars	Rs. per Units
Raw Materials	80
Labour	40
Factory overheads	30
Selling cost	20
Net Profit	30
Selling Price	200

The following further information is provided to you:

- 1) Raw materials remain in stock for 2 months while finished goods stock is carried for 3 months.
- 2) Credit allowed to customers is 3 months while credit allowed by suppliers of materials is 2 months.
- 3) Factory overheads are paid at the end of the month.
- 4) Company has a policy to have bank balance of at least Rs.1,50,000 on cash balance worth equal to 3 months of factory overheads.
- 5) 20% of the total sale is for cash.

You are required to prepare a statement of Working Capital Requirement.

- Q.5 (A) Explain the Functions of Management Accountants (8)
 (B) Explain the concept of working capital with the help of diagram and examples(7)

OR

Q.5 Short Notes (any 3) (15)

- 1) MPBF
- 2) Types of Working Capital
- 3) Cash flow from operating activities
- 4) Concept of Common size statement
- 5) Return on Capital Employed

- Instructions: 1. All questions are compulsory
2. Question No 1 to Question No 5 carry 15 marks each.
3. All the questions have internal options.

Q1. A. Multiple Choice Question (Any 8) (8)

1. _____ calculates the principal amount paid on a loan in a specific month.
a. PMT() b. PPMT() c. IPMT()
d. FVSCHEDULE()
2. _____ is a type of key in database.
a. Super Key b. Candidate Key c. Foreign Key
d. All of these
3. _____ is a collection of interrelated data & a set of programs to access those data.
a. Table b. Worksheet c. DBMS d. None of these
4. SFA is centered around the _____ and not on an individual buyer.
a. Organisation b. Website c. Sales Team
d. Social Media
5. _____ is the first stage of SCM.
a. Develop b. Plan c. Deliver d. Return
6. _____ is the act of buying and selling international currencies, futures, stocks, bonds and other financial instruments through the internet.
a. Internet Banking b. Online Banking
c. Online Trading
d. None of these
7. A Debit card is issued with a _____ for security reasons.
a. One Time Password
b. Personal Identification Number
c. Character Password d. Mobile Number
8. _____ is a benefit of using EDI
a. Reduced costs b. Reduced cycle time
c. Faster Response d. All of these

9. The two variants of ECS are ECS- _____ and ECS-Credit
a. Cash b. Debit c. Repeat d. Auto
10. _____ is long term trading and involves retention of securities for longer periods of time.
a. Day Trading b. Position Trading c. Both a and b
d. None of these

Q1. B. State true or false (Any 7) (7)

1. Macros can be created, edited and deleted by the user.
2. Conditional Formatting can be applied only on numerical data
3. Composite Key is a combination of data from more than one column.
4. DBMS is defined as the software system that allows users to define, create, maintain and control access to the database.
5. There are 4 stages of SCM
6. An ERP system can have CRM and SCM systems
7. Open source CRM software are available online.
8. The Relational Databases Model was introduced by E. F. Codd in 1970.
9. EDI improves accuracy in transactions.
10. Credit Card is like a pre-paid service.

Q2. A. Explain VLOOKUP() and HLOOKUP() with examples. (8)

B. What is a Macro? Write steps to create a Macro in MS Excel. (7)

OR

C. Explain any 4 text based functions of MS Excel. (8)

D. List the features of MS Excel. (7)

Q3. A. Explain the following Terms (15)

1. Database
2. Data
3. Information
4. Primary Key
5. Foreign Key

OR

B. Explain Different Data types in Ms-Access. (8)

C. List a few Characteristics of Primary Key and Foreign Key. (7)

Q4. A. Explain the working of EDI. List its advantages and disadvantages. (15)

OR

C. Explain various types of Online Trading. (8)

D. Discuss the advantages to Banks and Customers of ECS Credit. (7)

Q5. A. Explain any 5 modules of ERP. (15)

OR

B. Write short notes on: (Any 3) (15)

1. RDBMS

2. Conditional Formatting in MS Excel.

3. SFA

4. ATM

5. Types of Trading.

BFM Semester III

31-10-18

Duration: 2 $\frac{1}{2}$ Hours

Marks: 75

Q1A. Match the following

(8)

Column A	Column B
1. NABARD	a. Issued by private sector
2. UTI	b. Underwriters
3. Money market	c. Represents market players
4. Corporate bonds	d. Minimum Underwriting commission
5. CRA's	e. Short tenor market
6. Primary dealers	f. Not backed by collateral
7. MUC	g. No maturity dates
8. FIMMDA	h. Evaluate credit worthiness of issuers
9. Unsecured bonds	i. Unit Trust of India
10. Perpetual bonds	j. 1982

Q1B. State whether true or false:

(7)

1. Banks are the major participants in government securities market
2. RBI manages the short term liquidity in the system through the LAF window
3. Debt market is a market for short term lending
4. SEBI was set up in 1992
5. Maturity of the bond refers to the date on which the borrower repays the principal to the lender
6. Revenue bonds are riskier
7. Masala bonds are dollar denominated bonds
8. Junk bonds offer high interest rates
9. Face value refers to the nominal value of the bond
10. FIIs are not permitted to invest in debt securities

Q2 A. Define financial system. State its major functions.

(8)

Q2 B. Explain the components of financial system

(7)

OR

Q2 C. Explain the different types of debentures

(8)

Q2 D. What is financial engineering? State its features

(7)

Q3 A. Define government securities? State benefits of government securities

(8)

Q3 B. Write a note on the issuers and participants of government securities

(7)

OR

Q3 C. Explain the features and advantages of commercial papers (8)
Q3 D. State the advantages of Repos (7)

Q4 A. What are the steps taken to develop corporate bond market in SEBI (8)
Q4 B. Explain the advantages of credit ratings (7)

OR

Q4 C. A bond of face value of Rs.1000 (coupon rate 6%) is redeemable 5 years hence at a premium of 5%. Required rate of return is 8%. Current market price of the bond is Rs.930. Should an investor invest in these 6% bonds at the current market price. (7)

Q4 D. Mr. X. recently purchased a 10% bond with face value Rs.1000 and 4 years to maturity. Interest payments are paid annually by the company. Mr.X paid Rs.1032.40 for the bond. Calculate the YTM. (8)

Q5 A. Explain the different types of yield curves. (8)
Q5 B. State the merits of TBills (7)

OR

Q5C. Write short notes (Any 3) (15)

1. Primary market
2. Features of debt instrument
3. Zero coupon bond
4. Mortgage bond
5. Primary dealers

BFM Semester III

01-11-18

(Time : 2 ½ Hours)

Marks: 75

- N.B.:** 1. All questions are compulsory.
 2. Figures to the right indicate marks.
 3. Each question carries 15 marks each.

Q.1 (a) Match the columns: (any eight)

8 Marks

Group 'A'	Group 'B'
1. Abridged prospectus	(a) Market participants in equity market
2. T - Bill	(b) Employee Stock Option Plan
3. Capital formation	(c) Salient of fee prospectus
4. Settlement Cycle	(d) Central Bank
5. ESOP	(e) Members of stock exchange
6. Level III ADR	(f) Indigenous bankers
7. RBI	(g) Money Market Instrument
8. Unorganized markets	(h) Current assets / Current liabilities
9. Current Ratio	(i) Function of equity markets
10. Jobber	(j) T + 2

Q.1 (B) State whether following statements are True or False: (any seven)

7 Marks

- Financial instruments are those instruments issued by government.
- RBI is the queen bee of the financial system which influences the commercial banks management.
- Equity holder is the creditor of the company.
- ASBA is the abbreviation for applied sum for block amount.
- ADR/GDR/IDR are receipts that allows investors to invest internationally.
- Merchant banker is a type of dealer.
- New issue markets are those markets which deal in existing securities.
- OTCEI is floorless exchange where all the activities are fully computerized.
- NYSE was established in 1792.
- The external factor that affects the industry as a whole is termed as unsystematic risk, in capital market analysis.

Q.2 (A) What do you mean by Capital market? Explain the role of capital market in economic development.

8 Marks

(B) Define SEBI. Explain the objectives of the SEBI.

7 Marks

OR

Q.2 (C) Explain various classes of shares as per Peter Lynch.

8 Marks

(D) Define Equity shares. Explain the features of equity shares.

7 Marks

Q.3 (A) Define ESOP. Explain the benefits of ESOPs.

8 Marks

(B) Explain in detail private placement.

7 Marks

OR

- Q.3 (C) Explain the role of IDR in equity market. 8 Marks
(D) Define Stock Exchange. Explain the functions of a stock exchange. 7 Marks

- Q.4 (A) Explain the Book Building process of an IPO. 8 Marks
(B) Explain in detail Clearing & Settlement process. 7 Marks

OR

- Q.4 (C) What are the various benefits of listing of securities? 8 Marks
(D) Explain in detail NEAT system. 7 Marks

- Q.5 (A) Explain the need to attract more investors toward equity. 8 Marks
(B) Distinguish between Primary market & Secondary market. 7 Marks

OR

- Q.5 Write short note on : (Any Three) 15 Marks
(a) Money Market
(b) Right Issue of shares
(c) FCCB
(d) Fundamental Analysis
(e) Types of investors in equity market

BFM ~~_____~~ Semester III

02-11-18

(2 ½ Hours)

Total Marks: 75

- NB: (1) All questions are compulsory.
 (2) All working notes should form a part of your answer.
 (3) Specify assumptions, if any, while solving the questions.
 (4) Figures to the right indicate full marks.

(I) (a) Match the following. (Any 8)

(8)

Column A		Column B	
1	Transaction Cost	A	Correlation
2	Security Market Line	B	Performance evaluation measure
3	Strong form Efficiency	C	Variance
4	Standard deviation	D	Insider Information
5	Covariance	E	Constraints in portfolio revision
6	Active Portfolio Management	F	Diversifiable
7	Constant Ratio Plan	G	Beta
8	Treynor's Ratio	H	Fixed percentage relationship
9	Unsystematic risk	I	No Transaction Cost
10	CAPM assumption	J	Outperform benchmark

(I) (b) State whether following statements are True or False. (Any 7)

(7)

- Given two portfolios with the same expected return the investor would prefer the one with the higher risk.
- The basic assumption in technical analysis is that stock price movement are random.
- The systematic risk of a security is measured by a statistical measure called Beta.
- The longer the maturity period the lower the risk.
- According to Strong form of EMH, insider information can be used to earn above average returns.

6. Financial risk is a function of the financial leverage which is the use of debt in the capital structure.
7. An investment which is easily marketable without loss of money.
8. The lower the credit worthiness of the borrower, the higher is the risk.
9. A portfolio is a group of securities held together as investment.
10. The EMH states that the capital market is efficient in processing information.

- (2) You are required to calculate beta factors and expected returns for Dine Ltd and Dime Ltd using CAPM and offer your comments. Risk free rate of return is 7%: (15)

Year	Dine Ltd %	Dime Ltd %	Market %
1	13	13	15
2	14	14	16
3	13	10	15
4	12	11	14

OR

- (2) (a) what is an investment? What are the constraints of investments? (8)

(b) A security currently sells for Rs 125. It is expected to pay a dividend of Rs. 4.25 and be sold for Rs.140 at the end of the year. The security has a beta of 1.42. The risk free rate in the market is 6% and the expected return on a representative market index is 15%.

Assess whether the security is correctly priced. (7)

- (3) A stock costing Rs.120 pays no dividends. The possible prices that the stock might sell for at the end of the year with respective probabilities are: (15)

Price	Probability
115	0.1
120	0.1
125	0.2
130	0.3
135	0.2
140	0.1

1. Calculate the expected return.
2. Calculate the standard deviation of returns

OR

- (3) Returns for X and Y under four possible situations are given: (15)

Situations	Probabilities	Return on X	Return on Y
1	0.25	12%	10%
2	0.25	15%	15%
3	0.25	20%	5%
4	0.25	10%	25%

Find out: Portfolio risk and return if the portfolio contains stock X and stock Y in equal proportion.

- (4) Mr. Ned Stark purchased the following 5 scrips: (15)

Co's Name	No of Shares	Purchase price	Dividend	Face Value	Bonus Share	Selling Price
H Ltd	150	250	10%	10	1:02	275
C Ltd	200	180	25%	5		240
S Ltd	100	80	100%	10	1:05	108
F Ltd	400	240	25%	10		200
M Ltd	500	260	400%	2		295

Purchase Brokerage paid Rs. 1500

Selling Brokerage: 1900

Calculate the Holding Period Return.

OR

- (4) (a) The actual results of the portfolios and the market index during the past three years are given below: (8)

Portfolio	Return on Rp	Portfolio Beta	Risk-free Rate
A	15%	1.2	8%
B	12%	0.8	8%
C	16%	1.5	8%
Market Index	13%	1.0	8%

You are required to rank these portfolios according to Jensen's measure of Portfolio Evaluation.

- (4) (b) Three Mutual Funds have reported the following rates of return and risk over the last five years. (7)

Growth Fund	Return	Standard Deviation	Beta
HDFC	15%	15%	1.10
ICICI	13%	16%	1.25
UTI	12%	10%	0.90

Risk free rate of return is 8%. Evaluate the portfolio performance using Sharp's and Treynor's Index. Which portfolio has performed better?

- (5) (a) Explain the Single Index Model. (8)
(b) Define risk. Explain the various methods to measure risk. (7)

OR

- (5) Write a short note on (Any three) (15)
- a. Markowitz theory
 - b. Constant ratio plan
 - c. Portfolio Risk
 - d. Elements of Investment
 - e. Strong form of efficient market hypothesis
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