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(A-23) Seat NO: \_\_\_\_\_

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SARDAR PATEL UNIVERSITY  
BBA (ITM) SEM: VII EXAMINATION  
2016

WEDNESDAY, 4<sup>th</sup> MAY  
02.30 P.M. to 04.30 P.M.

UM07EBBI04: INVESTMENT ANALYSIS & PORTFOLIO MANAGEMENT - I

Total Marks: 60

Note: Figures to the right indicate marks of question.

- Q:1[A] Explain various investment avenues available to investors. [10]  
[B] Explain different sources of investment information. [05]

OR

- Q:1[A] "Investment is well grounded and carefully planned speculation" In [08]  
the light of this statement, differentiate between investment and  
speculation.  
[B] Explain concept of investment and discuss characteristics of [07]  
investment.

- Q:2[A] Explain subdivision of financial markets. [10]  
[B] Write a note on: BSE. [05]

OR

- Q:2[A] What you mean by financial assets? Explain properties of financial [08]  
assets.  
[B] Differentiate between: Primary market and secondary market. [07]

- Q:3[A] What is economic analysis? Explain any three tools used for [10]  
performing economic analysis.  
[B] List out data needs for industry analysis. [05]

OR

- Q:3 Write short note on: [15]  
1) Industry life cycle  
2) Economic Forecasting  
3) Standard Industry Classification (SIC)

- Q:4[A] The capital of Kiaan Ltd. is as follows: [10]  
80000 Equity Shares of Rs. 10 each 800000  
9% 30000 preference Shares of Rs.10 each 300000  
1100000

The following information has been obtained from the books of the  
company:

Profit after tax @60%	Rs.270000
Depreciation	Rs.60000
Equity Dividend paid	20%
Market Price of Equity Share	Rs.40

(1)

(P.T.O.)

You are required to calculate:

1. Dividend yield on equity share
2. Cover for the preference dividend
3. Earnings per share
4. Price-earnings ratio
5. Dividend pay-out ratio

[B] Discuss the problems faced in financial statement analysis. [05]

OR

Q:4[A] "Understanding competitive environment is the most important aspect of company analysis"-Comment with reference to various tools of company analysis. [09]

[B] The following data relate to published accounts of a company: [06]

Particulars	Rs.
Sales	32,00,000
Net profit after tax	1,23,000
Equity capital [Rs. 10 per share]	10,00,000
General Reserve	2,32,000
Long-term Debt	8,00,000
Creditors	3,82,000
Bank Credit [short-term]	60,000
Fixed Assets	15,99,000
Inventories	3,31,000
Other Current Assets	5,44,000

You are required to calculate following ratios:

1. Current Ratio
2. Net Profit Ratio
3. Debt –Equity Ratio

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(2)