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SEAT No. \_\_\_\_\_

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SARDAR PATEL UNIVERSITY  
TYBBA[ISM] VIth SEM [CBCS]  
SECURITY ANALYSIS [UM06CBBS05]  
30<sup>th</sup> March 2019, Saturday  
10.00 A.M. to 12.00 P.M.

MARKS 60

Q1. What is Stock Exchange? Explain the Functions of Stock exchange. [15]

OR

Q1. Write Notes on the following: [15]

- A. BSE
- B. NSE
- C. OTCEI

Q2. What is Security Analysis? Explain the EIC framework of Security analysis in detail [15]

OR

Q2A. What is Technical Analysis? Explain DOW's Theory in Technical Analysis. [08]

Q2B. Write a Note on Efficient Market Hypothesis. [07]

Q3A. Define Value? Explain the Types of Value in detail. [08]

Q3B. Write a Note on Yield to Maturity. [07]

OR

Q3 [15]

1. An investor has purchased an Equity Share of ABC Limited which he is planning to hold for one year. The dividend and price for the next year will be Rs. 2 and Rs. 18 respectively. If the capitalization rate is 8%. What is the value of Share?
2. XYZ is proposing to issue 5 Year, 12% Preference Shares. The shares will be redeemed at Rs. 110 at the end of 5<sup>th</sup> year. Its face value is Rs. 100. If an investor has a minimum required rate of return of 14% What is the present value of

(1)

(P.T.O)

Such Preference Shares for him.

3. A 15% Rs. 100 par value bond will be redeemed after 5 years for Rs. 120. They are currently sold for Rs. 80 . What is YTM?

Q4. What is Portfolio Management? Explain the process of Portfolio Management in detail. [15]

OR

Q4A. Explain the Difference between Traditional Theory and Modern Theory of Portfolio Management. [08]

Q4B. Risk free return is 6%, Return on Market Portfolio is 15% and Expected return and [07]

Beta are as follow:

Stock	Expected Return	Expected Beta
A	14%	1.2
B	15%	0.75
C	13%	1.5
D	20%	1.6
E	10%	0.8

Which stock is over valued and which stock is under valued related to expected return.

—X—  
(2)