Register No : ____________________

THE KAVERY ENGINEERING COLLEGE

(An Autonomous Institution)

UG/PG DEGREE END SEMESTER THEORY EXAMINATIONS, APRIL-MAY 2026

Third Semester

Master of Business Administration

PMBE2403- SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Regulations - 2024

Duration : 3 Hrs ***Maximum : 100 Marks***

*PART – A(ANSWER ALL QUESTIONS) (Marks 10*2=20)*

Q.No	Questions	BTL	CO	Marks
1.	Differentiate financial and economic meaning of investment.	K2	1	2
2.	Why is evaluation important in the choice of investment?	K1	1	2
3.	Define economic forecasting.	K1	2	2
4.	List the stages of an industry life cycle.	K1	2	2
5.	Differentiate between Fundamental Analysis and Technical Analysis.	K2	3	2
6.	What is meant by Efficient Market Hypothesis?	K1	3	2
7.	What is portfolio analysis?	K1	4	2
8.	How does diversification reduce portfolio risk?	K1	4	2
9.	What is the Capital Asset Pricing Model (CAPM)?	K1	5	2
10.	What are mutual funds in portfolio management?	K1	5	2

*PART – B (ANSWER ALL QUESTIONS) (Marks 5*16 = 80)*

Q.No		Questions	BLT	CO	Marks
11.	a	Discuss the major characteristics and objectives of investment with suitable examples.	K2	1	16
		Or			
	b	Define risk and return in investments. Explain the different types of risk faced by investors with examples.	K2	1	16
12.	a	Apply economic analysis to explain how inflation and interest rate changes affect stock investment decisions. Give real-time examples.	K3	2	16
		Or			
	b	How can Graham and Dodd’s investor ratios be applied to identify undervalued stocks in the Indian stock market? Provide live examples.	K3	2	16
13.	a	Develop the Fundamental and Technical analysis to evaluate investment in Reliance Industries Ltd.	K3	3	16
		Or			
	b	Apply Efficient Market Hypothesis (EMH) to analyze Adani Enterprises Ltd. stock performance after the Hindenburg report (2023).	K3	3	16
14.	a	“An optimum portfolio is a combination of stocks that gives the highest return for a given level of risk” – Do you agree? Justify.	K4	4	16
		Or			
	b	“Systematic risk affects the whole market and cannot be reduced by diversification” – Justify with an example.	K4	4	16

15.	a	Explain the lending and borrowing at the risk-free rate can adjust the risk-return of a portfolio including TCS, HDFC Bank, and Reliance Industries.	K5	5	16
		Or			
	b	Evaluate a mixed portfolio of Infosys (IT), HDFC Bank (Banking), Reliance (Energy/Retail), Hindustan Unilever (FMCG) using CAPM and APT for expected vs actual returns.	K5	5	16
