



Seat No. : _____

DM-104

December-2025

MBA, Sem.-III

MBA in Public Policy Management (PPM) / MBA in Event Management (EM) / MBA in Business Economics and Public Finance (BEPF)

BFM-304/PFM-304/EFM-304/DFM-304 :

Investment and Portfolio Management (IPM)

Time : 2:30 Hours]

[Max. Marks : 70

1. Explain the economy related factors in detail for taking a profitable investment decision. **14**

2. A bond with a face value of ₹ 100, has a coupon rate of 12% issued three years ago is redeemable after five years from now at a premium of 5%. The interest rate prevailing in the market currently is 14%. Estimate the bond duration. Also state its implications. **14**

OR

2. Write a detailed note on deep discount bonds alongwith empirical justification. **14**

3. Explain the concept of Entry Point, Over Bought Zone and Over sold Zone. How to calculate the levels of Entry Point, Over Bought Zone and Over sold Zone ? Explain with an example. **14**

OR

3. Write a detailed note on Capital Asset Pricing Model. Explain the relationship between CAPM Returns and Expected Returns of Investor from a stock and explain when to hold, buy or sell the stock with appropriate example. **14**

4. Explain Sharpe, Treynor and Jensen Ratios for evaluation of the performance of portfolios with a suitable example. **14**

OR

4. Explain the Constant Rupee Value Plan in context of Capital Allocation Decision with respect to Portfolio Construction with help of suitable example. **14**

5. Investors are classified broadly into categories based on the risk and return profiles. An investor with a short to medium term investing horizon, who is unwilling to take risks on capital and likes regular income may be said to fit a conservative profile. An investor with a longer term investment horizon, but with the need for both income and growth and a moderate level of risk tolerance may be in a moderate profile. A risk-seeking investor with longer term investing horizon, focus on growth and tolerance for short term losses may fit an aggressive profile. An investor Mr. Rupesh approaches his financial advisor. The financial advisor states that there are many asset class available for investments viz short term bills, long term debt, gold, commodities, large cap equity, mid cap equity, real estate etc. Mr. Rupesh is willing to give ₹ 20 lakhs to his financial advisor. Mr. Rupesh wants correct investment decision for Conservative Investor, Moderate Risk Tolerant Investor and Aggressive Investor.

As a Financial Advisor, examine the Portfolio of ₹ 20 lakhs each for Mr. Rupesh being Conservative Investor, Moderate Risk Tolerant Investor and Aggressive Investor with respect to investment environment.

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