

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF BUSINESS ADMINISTRATION (M.B.A.)
EXAMINATION: MAY/JUNE - 2026
SEMESTER - III

Sub.: Security Analysis & Portfolio Management (MFM305 / MBA24-FM304)

Date : 01/06/2026

Total Marks : 60

Time: 10.00 am to 12.30pm

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

- Q. 1. Write Short notes on (Any Three) (15)**
1. Explain the term Preference Shares.
 2. Discuss the meaning of Equity Shares.
 3. State the meaning of Book Building process for Share Price Discovery.
 4. Explain the term Derivatives in Financial Markets.
- Q. 2. Answer in detail (Any One) (10)**
1. Discuss the term Bombay Stock Exchange.
 2. Discuss Capital Asset Pricing Model (CAPM).
- Q. 3. Answer in detail (Any One) (10)**
1. Explain the term National Stock Exchange.
 2. Elaborate the role and functions of SEBI.
- Q. 4. Answer in detail (Any One) (10)**
1. Discuss the term Systematic Risk.
 2. Explain the concept of Unsystematic Risk.
- Q. 5. Shanti Ltd. is a well-established company operating in the forging industry and plans to purchase a new forging machine to enhance its production capacity. After evaluating different financing options, the management decided to raise funds through the issue of debentures in order to benefit from fixed interest financing. At the time of the issue, market interest rates were relatively high, which could have reduced investor interest. To make the debentures more attractive and ensure successful subscription, Shanti Ltd. chose to issue the debentures at a discount. This approach helped compensate investors while allowing the company to secure long-term funds on stable terms. (15)**

You are required to find the following for the Debenture financing option:

- 1) If Shanti Ltd. made the issue of 15% Debentures having Face Value of <100/- at 5% Discount, but redeemed after 4 years at a premium of 12%
- 2) Find the Return on Investment in Debentures to the investor.