

Reg. No.

Question Paper Code

11948

**M.B.A - DEGREE EXAMINATIONS, APRIL / MAY 2023**

Third Semester

**Master of Business Administration  
20MBF304 - FINANCE ANALYTICS**

(Regulations 2020)

Duration: 3 Hours

Max. Marks: 100

**PART - A (10 × 2 = 20 Marks)**

Answer ALL Questions

- |   | <i>Marks,<br/>K-Level, CO</i> |
|---|-------------------------------|
| 1. State the importance of Financial analytics.   | 2,K1,CO1                      |
| 2. Write a note on EPM.   | 2,K1,CO1                      |
| 3. What is CML?   | 2,K1,CO2                      |
| 4. Illustrate the steps involved in the traditional approach to portfolio construction. | 2,K2,CO2                      |
| 5. Elaborate the term volatility.   | 2,K2,CO3                      |
| 6. List the causes of financial distress or Bankruptcy.                                 | 2,K1,CO3                      |
| 7. Give a brief on Monte-carlo simulation.  | 2,K1,CO4                      |
| 8. Identify the purpose of credit risk?   | 2,K2,CO4                      |
| 9. Give an example for Swaps can play a vital role in hedging?                          | 2,K1,CO5                      |
| 10. Differentiate Forward contract with Future contract.                                | 2,K2,CO5                      |

**PART - B (5 × 13 = 65 Marks)**

Answer ALL Questions

11. a) What is business Intelligence? Explain the evolution of Business Intelligence. 13,K1,CO1
- OR**
- b) Discuss the objectives of MIS and Explain the role of MIS. 13,K1,CO1
12. a) What are the basic assumptions of CAPM? What are the advantages of adopting the CAPM model in portfolio management? 13,K1,CO2
- OR**
- b) Construct the model portfolio for an investor under traditional method and modern method. 13,K1,CO2
13. a) Discuss the basic application of ARCH Model. 13,K2,CO3

*K1 – Remember; K2 – Understand; K3 – Apply; K4 – Analyze; K5 – Evaluate; K6 – Create*

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**OR**

b) Explain the prediction model of Value at Risk (VaR). 13,K2,CO3

14. a) Explain the various structural models used for firm's value model. 13,K2,CO4

**OR**

b) Explain the various types of credit risk in brief. 13,K2,CO4

15. a) Explain: 13,K2,CO5

(a) DCF

(b) Sharpe Ratio.

(c) Calmer Ratio.

**OR**

b) What are commonly used SWAPs? Are SWAPs assets or liability? - 13,K2,CO5  
Justify your answer.

**PART - C (1 × 15 = 15 Marks)  
(Compulsory)**

16. a) From the following details rank them with the help of Sharpe index, 15,K5,CO6  
Treyner index and Jensen model assume that the risk free interest is 9.

Particulars	Rp	$\sigma_p$	$\beta$
Birla advantage	25.38	4	0.23
Sundram growth	25.11	5.01	0.56
Sun F&C value	25.01	3.55	0.59
S&P CNX 500	36.74	3.69	1.00