

Enrollment No: \_\_\_\_\_

Exam Seat No: \_\_\_\_\_

# C. U. SHAH UNIVERSITY

## Winter Examination-2019

**Subject Name: Fundamental of Investment -I**

**Subject Code: 4CO05FOII**

**Branch: B.Com (English)**

**Semester: 5**

**Date: 02/12/2019**

**Time: 10:30 To 01:30**

**Marks: 70**

**Instructions:**

- (1) Use of Programmable calculator & any other electronic instrument is prohibited.
- (2) Instructions written on main answer book are strictly to be obeyed.
- (3) Draw neat diagrams and figures (if necessary) at right places.
- (4) Assume suitable data if needed.

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- Q-1 Attempt the following questions: (14)
- a) The classification of purpose based investors does not include the following 01  
(A) the purpose of short term need (B) the purpose of getting fame  
(C) the purpose of making money (D) the purpose with lower priority
- b) In the past investment activity was limited to which class... 01  
(A) rich (B) doing business (C) both (D) none of these
- c) Which is the second step in the investment decision process? 01  
(A) determine the purpose (B) to do analysis  
(C) create a portfolio (D) none of the above
- d) Give the full form of NBFC. 01  
(A) Non banking fundamental company  
(B) Non banking finance corporation  
(C) Non banking finance company  
(D) Non banking fundamental corporation
- e) What is the risk of nonpayment of money? 01  
(A) bonds (B) share (C) debenture (D) preference share
- f) What are the types of coefficients used to analyze a company's performance? 01  
(A) 1 (B) 2 (C) 3 (D) 4
- g) Where new securities in the market are available for sale for the first time? 01  
(A) Primary market (B) secondary market  
(C) local market (D) none of these
- h) Give the full form of PPF. 01  
(A) Private provident fund (B) Private Public fund  
(C) Public provident fund (D) Provident Public fund



- i) Which of the following factors include investment decision? 01  
 (A) social risk (B) individual risk  
 (C) professional risk (D) risk of interest rates
- j) How does the price fluctuate in fixed income securities? 01  
 (A) less (B) more (C) stable (D) cannot say
- k) Give the full form of GDP. 01  
 (A) Gross domestic productivity (B) Gross domestic product  
 (C) General domestic productivity (D) General domestic productivity
- l) What is fundamental analysis? 01  
 (A) logical (B) regularly (C) A&B both (D) none of them
- m) What is the first step in the industry lifecycle? 01  
 (A) research step (B) extension step  
 (C) depression step (D) phase of fall of out
- n) Give the full form of NSS. 01  
 (A) National saving scheme (B) National scheme for service  
 (C) National saving salary (D) Nominal serving scheme

Attempt any four questions from Q-2 to Q-8

- Q-2 Stating the type of investment. Explain non transferable securities and life insurance. 14
- Q-3 Attempt all questions (14)  
 A Explain the difference between investors and speculators 07  
 B Explain the advantages and disadvantages of fixed income securities. 07
- Q-4 Attempt all questions (14)  
 A Explain bond yields 06  
 B Give a short note on risk of investment in bonds. 08
- Q-5 Explain bond rating 14
- Q-6 Attempt all questions (14)  
 A Give the differences between primary market and secondary market 06  
 B State the functions of stock exchange. 08
- Q-7 Attempt all questions (14)  
 A Explain the efficient market hypothesis. 07  
 B Explain the ratios for analyzing a company's performance 07
- Q-8 Attempt all questions (14)  
 A Explain the industrial analysis techniques of fundamental analysis. 07  
 B Explain the basic principles of technical analysis 07

