

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

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

# C. U. SHAH UNIVERSITY

## Winter Examination-2022

Subject Name : Fundamentals of Investment-I

Subject Code : 4CO05FOI1

Branch: B.Com (English)

Semester: 5

Date: 30/11/2022

Time: 02:30 To 05:30

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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**Q1. Attempt the following questions:**

**14**

1. The net asset value of mutual fund investing in stock rises with
  - a) Lower equity value
  - b) Higher stock price
  - c) an increased number of shares
  - d) increased liability
2. Which of the following is on the horizontal axis of the Security Market Line?
  - a. Standard deviation
  - b. Beta
  - c. Expected return
  - d. Required return
3. Market where issuers sell new shares is called
  - a) Secondary market
  - b) Primary market
  - c) Stock market
  - d) None of these
4. The latest stock market to come up in India is
  - a) NSE
  - b) BSE
  - c) MCX – stock exchange
  - d) none of these
5. Financial planning is
  - a) Smart investment and smart spending
  - b) Good investment and lesser spending
  - c) Less investment and lesser spending
  - d) None of these
6. The market regulator of Indian capital market is?
  - a) SEBI
  - b) RBI
  - c) CCI
  - d) DFHI
7. \_\_\_\_\_ means a number of securities/assets put together.
  - a) Investment
  - b) portfolio



- c) savings d) none of these
8. When the risk perception is high, investor prefers to get the bond at
- a) Higher rate b) Par rate  
c) Reduced rate d) None of these
9. Risk that a borrower may not pay interest/principal timely is
- a) Call risk b) Liquidity risk  
c) Default risk d) None of these
10. Floating rate bonds carry
- a) Fixed rate of interest b) Varying rate of interest  
c) Zero rate of interest d) None of these
11. Private placement is preferred by companies because it is
- a) cost effective b) time effective  
c) access effective d) all of these
12. Real estate investment does not include
- a) Agricultural land b) Equity shares  
c) Commercial Property d) A second house
13. Which of the following is outside the purview of investment class?
- a) Fixed deposits b) Recurring deposits  
c) Savings bank deposits d) Current account deposits
14. Inflation will
- a) escalate the cost b) reduce the purchasing power  
c) reduce the saving d) all of these

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

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|-----|--|------|
| Q-2 | Attempt all questions                          | (14) |
| A   | Explain factors affecting investment decision. | 07   |
| B   | Explain types of Investment.                   | 07   |
| Q-3 | Attempt all questions                          | (14) |
| A   | Discuss functions of stock market.             | 07   |
| B   | Write a note on SEBI.                          | 07   |
| Q-4 | Attempt all questions                          | (14) |
| A   | Write a note on Security market participants.  | 07   |
| B   | Write a note on Bonds                          | 07   |



Q-5	Attempt all questions	(14)
A	Explain in detail Bond valuation methods.	07
B	Explain stages of Economic analysis in Fundamental analysis.	07
Q-6	Attempt all questions	(14)
A	Explain types of Bond Risk.	07
B	Explain stages of Industry analysis in Fundamental analysis.	07
Q-7	Attempt all questions	(14)
A	Explain different types of Technical Charts.	07
B	Describe in detail Risk & Return.	07
Q-8	Attempt all questions	(14)
A	Write a note on RBI.	07
B	Explain characteristics of Stock market.	07

