



**2021/TDC(CBCS)/EVEN/SEM/  
COMDSE-601T/602T/158**

**TDC (CBCS) Even Semester Exam.,  
September—2021**

**COMMERCE**

**( 6th Semester )**

**Course No. : COMDSE-601T/602T**

**( Fundamentals of Investment )**

Full Marks : 70

Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks  
for the questions*

**SECTION—A**

Answer any *ten* of the following questions :  $2 \times 10 = 20$

1. What is expected return to an investor?
2. What is called systematic risk?
3. Who are the participants in securities market?



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4. What is risk-return tradeoff?
5. What is interest rate risk?
6. What is called coupon rate?
7. What is yield to maturity?
8. What is default risk in bond?
9. What is industry analysis in context of investment management?
10. What is called intrinsic value of a share?
11. Define price earning ratio.
12. What is called weak form of efficiency in relation to efficient market hypothesis?
13. What is portfolio analysis in relation to investment management?
14. What is a future contract?
15. What is open-ended mutual fund scheme?
16. What is a forward contract?
17. What are the objectives of SEBI?

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( Continued )

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18. Name the agencies for redressal of investors' grievances.
19. What is insider trading?
20. What is investors' activism?

SECTION—B

Answer any *five* of the following questions :  $10 \times 5 = 50$

21. What are the basic informations required to take an investment decision? Briefly discuss the different sources of financial information.  
4+6=10
22. What is real return in investment? Do you think that taxes and inflation have impact on return from investment? Justify your answer.  
3+7=10
23. What is a bond? Discuss different types of bond and their features.  
4+6=10
24. What is market interest rate? Do you think that bond price moves inversely to changes in market interest rate? Justify your answer.  
3+7=10
25. What is technical analysis? Distinguish between technical analysis and fundamental analysis.  
4+6=10

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( Turn Over )



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26. Discuss constant growth model used for valuation of share. Also discuss the advantages of this model. 7+3=10
27. What is portfolio return? Explain the process of computing expected return of a portfolio with two securities with imaginary figures. 4+6=10
28. "Mutual fund investment is subject to market risk. Please read the offer documents carefully before investing." In light of this statement, discuss the nature of mutual fund investment and risk involved in it. 10
29. What is a stock exchange? Briefly discuss the functions of stock exchange. 3+7=10
30. What is investors' grievance? Discuss common investors' grievances in security market. 3+7=10

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