

Set – 2

**Unique Paper Code:** 22415202\_OC  
**Name of Course:** B.COM H  
**Name of Paper:** Investing in Stock Markets  
**Semester:** II  
**Duration:** 03 Hours  
**Maximum Marks:** 75 Marks

**Instructions for Candidates:**

1. Attempt **any four** questions.
2. **All** questions carry equal marks.
3. Use of Simple Calculator is allowed.

1. What do you understand by the term investment and what objectives should be kept in mind while investing in securities market? (18.75)

2. Explain in detail various types of orders which can be placed through brokers by the investor who wants to transact in shares. (18.75)

3. The returns (%) on securities of Tinku Ltd. and Minku Ltd. under different situations are given below:

State of the Market	Probability of Occurrence	Possible Returns	
		Tinku Ltd.	Minku Ltd.
Bear	.2	12	17
Normal	.3	17	20
Bull	.5	37	22

Find the *return* and *risk* associated with both the securities and which security should an investor choose and why? (18.75)

4. Calculate the *EPS* and *P/E Ratio*:

Sales revenue	<input type="checkbox"/> 10,00,00,000
Net profits after taxes	<input type="checkbox"/> 40,00,000
Equity share capital divided in to shares of Rs.10 each	<input type="checkbox"/> 2,00,00,000
Current market price of the share	50

(18.75)

5. What do you mean by fundamental analysis? Explain in detail the tools used for fundamental analysis for a company. (18.75)

6. Calculate the *NAV* using following data on 01-01-2020:

Equity and bonds	<input type="checkbox"/> 55,00,000
Cash and treasury bills	<input type="checkbox"/> 10,00,000
Management fee payable	<input type="checkbox"/> 1,00,000
Number of units outstanding	50,000

Number of offices	6
Number of fund managers	3
Ranking of the MF in India	5 <sup>th</sup>

(18.75)

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