

**Total Pages—6 PG/IIIS/COM/304.1 & 304.2/24  
(CBCS)**

**M.Com. 3rd Semester Examination, 2024**

**COMMERCE**

**PAPER – COM-304**

**Mutual Fund and Stock Market**

*Full Marks : 50*

*Time : 2 hours*

**Answer all questions**

*The figures in the right hand margin indicate marks*

*Candidates are required to give their answers in  
their own words as far as practicable*

**PAPER – COM 304.1**

**[ Marks : 20 ]**

**1. Answer any two questions: 5 × 2**

- (a) What is a mutual fund ? Briefly discuss  
the advantages of investing in mutual  
funds. 1 + 4**

**( Turn Over )**

- (b) What is SIP in mutual fund ? Compare between investment in mutual fund through lumpsum investment and SIP. 1 + 4
- (c) What is Net Asset Value of a mutual fund ? Find out Net Asset Value of ABC Growth Fund Direct from the following information : 2 + 3

Particulars	Cost Price	Market Price
Equity Shares	Rs. 52 cr.	Rs. 72 cr.
Debt	Rs. 20 cr.	Rs. 22 cr.
Bank Balance	Rs. 8 cr.	
Expenses allocated by the management for the scheme till date	Rs. 1 cr.	
Management expenses outstanding	2% of Assets under Management	
No. of Units	2 cr.	

2. Answer any *one* question : 10 × 1

(a) Write short notes with an example on  $2\frac{1}{2} \times 4$

(i) Leverage Mutual Fund

(ii) Fund of Funds

(iii) Lock-in-period

(iv) Direct Investment.

(b) (i) What are the different types of metrics for measuring performance of a mutual fund ?

(ii) Based on the following information, find out absolute yearly return of both the Mutual Fund Schemes. Also find the risk-adjusted return through Sharpe ratio and Treynor ratio and offer your comment.

Months in 2023-24	Return	
	Mutual Fund A	Mutual Fund B
April	12%	8 %
May	15%	13 %
June	22%	6 %
July	18%	10 %
August	-4%	12 %
September	-12%	8 %
October	6%	9 %
November	14%	9 %
December	12%	12 %
January	24%	10 %
February	10%	12 %
March	14%	9 %
Beta	1.30	0.80
Market Return	8%	

( 5 )

**PAPER – COM 304.2**

[ Marks : 20 ]

3. Answer any *two* questions : 5 × 2

(a) Why is the name 'share' given? What are the differences between equity share and preference share? By which names are they called in the USA? 2 + 2 + 1

(b) Which type of traders are more seen in the share market-investors or speculators and why? 5

(c) Write a short note on 'Holding period rate of return'. Why is it converted into annualized return? 3 + 2

4. Answer any *one* question from the following :

(a) (i) How is risk traditionally calculated for investment in equity shares? 10 × 1

( 6 )

- (ii) Discuss in brief various types of systematic risk. 2 + 8
- (b) (i) What are the advantages of shares presently in the dematerialized form over the earlier existence in physical or paper form ? Discuss.
- (ii) Describe, in steps, the process of an on-line share trading in cash segment. 4 + 6

**[ Internal Assessment – 10 Marks ]**

---