



Mauve

**Avinashilingam Institute for Home Science and Higher Education for Women**

(Deemed to be University under Category 'A' by MHRD, Estd. u/s 3 of UGC Act 1956)

Re-accredited with 'A++' Grade by NAAC. Recognised by UGC Under Section 12B

Coimbatore - 641 043, Tamil Nadu, India

**Continuous Internal Assessment –August 2024**

**V- Semester**

**Class : III UG**

**Time: 2 Hours**

**Major : B.Com / B.Com PA**

**Maximum Marks: 60**

**21BCOC21 / 21BCPC22–Fundamentals of Investment**

**Course Outcomes:**

CO1 :Familiar with financial instruments

CO2 :Understand the challenges in market for information

CO3 :Analyse the risk and return associated with investment

CO4 :Analyse investment and manage portfolios

CO5 : Compare and contract retirement savings plans

**Part A**

**Choose the correct answer**

**(06x 01 = 06)**

1. An Investor invests in assets known as a CO1 K2  
a) Securities b) Block of Assets c) Portfolio d) Group of Assets
2. Employment of fund with the aim of achieving additional income is known as CO1 K2  
a) Investment b) Speculation c) Gambling d) Biting
3. Diversification reduces CO2 K1  
a) Interest rate risk b) Unique risk c) Market risk d) Inflation risk
4. The tax saving investment is CO2 K2  
a) Fixed Deposit b) Shares c) Bonds d) public provident fund
5. SSA Stands for CO3 K1  
a) Sukanya samriddhi account b) Sarva shiksha account  
c) Sukanya shiksha Abhiyan d) Social security account
6. The process of holding an investment in shares in electronic form is CO3 K2  
a) Dematerialisation b) Demutualisation c) Speculation d) Offering

**Part B**

**Answer the following**

**(03x06= 18)**

**Answer should not exceed 200 words or one page**

- 7.a) Explain the essential features of investment. CO1 K1  
(OR)
- 7.b) Distinguish between investor and speculator. CO1 K2
- 8.a) List out the benefits of personal budgeting. CO2 K2  
(OR)
- 8.b) Bring out the importance of personal income tax planning in investment. CO2K1
- 9.a) Discuss the essential elements of investment in personal savings. CO3 K2  
(OR)
- 9.b) What are the types of equity shares? CO3 K2

**Part C**

**Answer the following (03x12 = 36)**

**Answer should not exceed 700 words or four pages**

- 10.a) Explain the negotiable securities in investment alternatives. CO1 K2  
(OR)
- 10.b) Describe the non - negotiable securities in investment alternatives. CO1 K1
- 11.a) Explain the steps involved in preparation of personal budget. CO2 K1  
(OR)
- 11.b) What is personal financial planning and explain the process of personal financial planning? CO2 K2
- 12.a) Describe the various post office schemes for investment. CO3 K2  
(OR)
- 12.b) Explain the different types of long-term investments. CO3 K2