



H. Sambal

Avinashilingam Institute for Home Science and Higher Education for Women
(Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD)
Re-accredited with 'A++' Grade by NAAC. Recognised by UGC Under Section 12B
Coimbatore - 641 043, Tamil Nadu, India

Bachelor's Degree Examination - November 2024
V Semester

Class : III UG
Major : Commerce / B.Com PA

Time: 3 Hours
Max. Marks: 100

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

10 x 1 = 10

Choose the Correct Answer

1. The _____ is associated with buying low and selling high, resulting in a significant capital gain. CO1 K1
 - a. Speculation
 - b. Gambling
 - c. Investing
 - d. Arbitrage
2. Investment are the CO1 K1
 - a. Net additions made to the nation capital stock
 - b. persons commitment to buying a flat
 - c. employment of funds on assets to earn return
 - d. employment of funds on goods and services that used in the production process
3. Financial plans focus on: CO2 K1
 - a. Human resource management
 - b. Marketing strategies
 - c. Financial aspects and budgets
 - d. Project management
4. An _____ income should be carefully estimated before it is included in a personal budget. CO2 K1
 - a. Mortgage
 - b. Wage
 - c. Variable
 - d. Fixed
5. Investment made in real estate is a CO3 K1
 - a. real investment
 - b. financial investment
 - c. non financial investment
 - d. Intangible investment
6. What is the primary benefit of the Post Office Savings Account? CO3 K1
 - a. High returns
 - b. Liquidity
 - c. Tax benefits
 - d. Low risk
7. Who is called a father of fundamental analysis _____ CO4 K1
 - a. Benjamin Graham
 - b. Timbergen
 - c. William
 - d. Elliot Wave
8. Identify _____ risks cover the risk of market, interest rate risk and purchasing power risk. CO4 K1
 - a. Systematic
 - b. Unsystematic risk
 - c. Financial
 - d. Business
9. Which scheme allows individuals to save for retirement? CO5 K1
 - a. Post Office Savings Account
 - b. National Savings Certificate (NSC)
 - c. Public Provident Fund (PPF)
 - d. Sukanya Samriddhi Yojana
10. Which pension plan promises a fixed benefit based on salary and service? CO5 K1
 - a. Defined Contribution Plan
 - b. Defined Benefit Plan
 - c. Hybrid Plan
 - d. ESOP

Part B
Answer all questions
Each answer should not exceed 400 words or two pages

5 x 6 = 30

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|---------------------------------------------------------------------------|------|--------|
| 11.a. Discuss the Objective of investment. | | CO1 K2 |
| | (or) | |
| 11.b. Illustrate the Elements of investment. | | CO1 K2 |
| 12.a. Explain the process of Preparation of personal budget | | CO2 K3 |
| | (or) | |
| 12.b. Explain why the personal income tax planning is important? | | CO2 K3 |
| 13.a. Point out the features of a few postal saving schemes. | | CO3 K4 |
| | (or) | |
| 13.b. Explain the pros and cons of investing in gold and silver. | | CO3 K4 |
| 14.a. Bring out the Difference between systematic and unsystematic risks. | | CO4 K2 |
| | (or) | |
| 14.b. Discuss the factors which involved in company analysis. | | CO4 K2 |
| 15.a. Make a note on any Four types of provident fund. | | CO5 K5 |
| | (or) | |
| 15.b. State the benefits of pension plan. | | CO5 K5 |

Part C
Answer all questions
Each answer should not exceed 800 words or four pages

5 x 12 = 60

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| 16.a. Elucidate the Difference between investor and speculator | | CO1 K2 |
| | (or) | |
| 16.b. Discuss Various forms of investment alternatives | | CO1 K2 |
| 17.a. Explain the Process of personal financial planning | | CO2 K4 |
| | (or) | |
| 17.b. "Sarah, a 28-year-old software engineer, earns £60,000/year and has £20,000 in student loans. She aims to pay off debt, build an emergency fund, and invest for long-term growth. Design a financial plan prioritizing her objectives." | | CO2 K4 |
| 18.a. List out the recent development in the bond market in India. | | CO3 K3 |
| | (or) | |
| 18.b. Explain the rights and obligations of mutual fund investors | | CO3 K3 |
| 19.a. Explain the meaning, rational procedure and limitations of fundamental analysis | | CO4 K4 |
| | (or) | |
| 19.b. What is technical analysis? Explain its tools. What are its shortcomings? | | CO4 K4 |
| 20.a. State the Features of life insurance | | CO5 K1 |
| | (or) | |
| 20.b. Enumerate the tax benefits of insurance policy | | CO5 K1 |
