

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2022
(Sixth Semester)

Branch – COMMERCE (ACCOUNTING & FINANCE)

PERSONAL INVESTMENT MANGEMENT

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (10 x 1 = 10)

1. In _____ principal amount and the terminal value are known with certainty.
a) Fixed principal investment b) Variable principal investment
c) Non – security investment d) Indirect investment
2. The taking of business risk in the hope of getting short term gain _____.
a) Gambling b) Arbitrage
c) Investment d) Speculation
3. T-Bill has a validity of _____.
a) More Than a Year b) Less Than one year
c) More Than 5 year d) Less Than 10 days
4. Life insurance is a contract between insured person and _____.
a) Bank b) Organisation
c) Insurance Company d) Hospital
5. Of the following fund types, the highest risk is associated with _____.
a) Balanced Fund b) Gilt Funds
c) Equity Funds d) Debt Funds.
6. A stock broker means a member of _____.
a) SEBI b) A recognized stock exchange
c) Any exchange d) AMFI
7. The market that trades with raw materials or primary agricultural products known as _____.
a) Commodities Market b) Derivatives Market
c) Stock Market d) Primary market.
8. The exchange of cash flow or a set of financial obligation between two parties overtime.
a) Option b) Future
c) Swap d) Forward.
9. An illegal action in which a person or entity deliberately avoids paying a true tax liability is called _____.
a) Tax avoidance b) Tax evasion
c) Tax savings d) Tax liability.
- 10) When one begins planning their tax-saving investments at the start of the fiscal year it is _____.
a) Long-term tax planning b) Short-term tax planning
c) Permissive tax planning d) Purposive tax planning

SECTION - B (35 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 7 = 35)

11. a. Define Investment. How is it different from speculation.
OR
b. Write short note on the elements of investment.

Cont...

12. a. Distinguish between T-Bill and CMB.
OR
b. What are the salient features of investing in Life Insurance scheme?
13. a. Explain the procedure involved in online stock trading.
OR
b. Discuss the advantages of mutual fund scheme available for investors.
14. a. Distinguish between stock market and commodities market.
OR
b. Explain the limitations of commodity trading.
15. a. Write short notes on Purposive tax planning and Permissive tax planning.
OR
b. Explain tax avoidance with some examples.

SECTION - C (30 Marks)

Answer any **THREE** Questions

ALL Questions Carry **EQUAL** Marks (3 x 10 = 30)

16. Explain the various factors to consider when selecting an investment..
17. Explain in detail about various G-Secs.
18. Explain about the classification of mutual fund investment.
19. Explain the participants involved in commodities market.
20. Suggest various tax saving options an investor to avoid tax.

Z-Z-Z

END