

TM244939Z

Reg. No :

Name :

MASTER'S DEGREE (C.S.S) EXAMINATION, MARCH 2024
2022 ADMISSIONS REGULAR
SEMESTER IV - M. COM ELECTIVE COURSE
CO4E07TM20 - Personal Investment and Behavioural Finance (group 1)

Time : 3 Hours

Maximum Weight : 30

Part A

I. Answer any Eight questions. Each question carries 1 weight (8x1=8)

1. How does financial capability help in individual financial decision-making?
2. "Savings is one of the means for achieving financial destiny of every individual". Comment.
3. What do you mean by Crowdfunding? How does it work?
4. List out some of the saving schemes provided by the post office.
5. List out the criticisms of Behavioral finance.
6. Explain the concept of "Expected Value" with examples.
7. Explain the term self-control as a cognitive process.
8. Compare Conservatism and Superstition.
9. Explain the stages of the debiasing process.
10. Make a note of the effect of regrets.

Part B

II. Answer any Six questions. Each question carries 2 weight (6x2=12)

11. Compare the trend of domestic savings in India before and after liberalization.
12. Explain the role of parents in the family financial socialization process.
13. "Microfinance stands as one of the most promising and cost-effective tools in the fight against global poverty" - Explain.
14. Explain with suitable examples the Nudge theory.
15. State the factors affecting financial decision-making with reference to human behavior.
16. Critically evaluate Overconfidence biases and Anchoring/Focalism.
17. State the relevance of the use of nudges in overcoming biases.
18. Explain the effects of biases in detail.

Part C

III. Answer any Two questions. Each question carries 5 weight (2x5=10)

19. Explain the scope of ratios in evaluating the financial position of a household.
20. Behavioral Finance is a new branch/discipline which accumulates the principles of economics and psychology to financial behavior. Explain.
21. Write short notes on the following: a) Thought Contagion and overreaction, b) Hot hand bias, c) Gambler's Fallacy, and d) Procrastination.
22. Distinguish between internal and external bias. Make a short note on various emotional biases.

