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Register Number:

DATE:07-03-2021

**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

**M.COM – I SEMESTER**

**SEMESTER EXAMINATION: OCTOBER 2021**

**(Examination conducted in February-March 2022)**

MCO 7420: Personal Finance

Time- 2 ½ hrs Max Marks-70

**This paper contains two printed pages and four parts**

**Section A**

**I.** Answer ***any Ten*** of the following (**2 x 10 = 20 marks)**

1. What is Personal Finance?
2. Differentiate between systematic risk & unsystematic Risk
3. What are Cryptocurrencies?
4. State any four common mistakes made by Indian Investors
5. What is ‘No Claim Bonus’?
6. What is Mental Accounting?
7. Who is the Father of Behavioral Finance?
8. What is the purpose Prime Minister Suraksha Bima Scheme (PMSBS)?
9. Expand NSDL & PAN..
10. What is an SIP?
11. What is Principle of Indemnity?
12. What is Prospect Theory?

**Section B**

**II.** Answer ***any three*** of the following (**5 x 3 = 15 marks)**

1. What is Herding behavior in financial markets?
2. Explain the claim procedure for a health Insurance.
3. Discuss the various investment avenues available for a retired person.
4. Write a short note on Public Provident Fund.
5. Differentiate between Saving and Investment.

**Section C**

**III.** Answer ***any two*** of the following (**10 x 2 = 20 marks)**

1. What is a Mutual fund? Explain the different schemes of Mutual Funds.
2. What is a Life Insurance? Discuss the different types of Insurance Policies
3. Prepare a Questionnaire to assess the Risk Profile of an Investor**.**

**Section D**

**III. Answer the following (15 marks)**

1. Mr. Joshua Parker (aged 36 years) and Mrs.Jenny Parker (Age 34 years) married with two kids, Jim (Male, 9 years) and Jennifer (Female, 4 years). Mr. Joshua is a Civil Engineer at Prestige Constructions Ltd. earning a monthly salary of Rs. 78,000 and Mrs. Jenny is employed as IT Consultant with a salary of Rs.80,000 pm. Their monthly savings after meeting essential expenses is Rs. 62,000 (approximately).

The following is the summary of their financial intentions:

* To buy a Duplex house with a budget of 80 Lakhs in the next 4 years.
* Providing for children education for next 10-12 years
* tax savings
* Sufficient liquid cash to meet emergencies.
* Life Insurance

As a Financial advisor, explain to Mr. Joshua & Mrs.Jenny the various Investment avenues suitable for them.

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