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Total No. of Questions : 5]

SEAT No. :

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[5860]-214

F.Y. M.B.A. (Semester - II)

206 - FIN : Personal financial Planning
(2019 Pattern)

Time : 2½ Hours]

[Max. Marks : 50

Instructions to the candidates:

- 1) Assume suitable Data if necessary.
- 2) Figures to the right indicate full marks.
- 3) All questions are compulsory.
- 4) All questions have internal options.

Q1) Attempt any Five questions :

- a) To prepare Personal Financial Statement, all the assets are recorded in the balance sheet at their _____.
 - i) Original Purchase price
 - ii) Historical Cost
 - iii) Fair market value
 - iv) None of above
- b) Investment is the
 - i) net additions made to the nation's capital stocks
 - ii) persons commitment to buy a flat or house
 - iii) employment of funds on assets to earn returns
 - iv) employment of funds on goods and services that are used in production process
- c) _____ may be defined as the process of determining the present value of a payment or a stream of payments, which is likely to be received in the future.
 - i) Compounding
 - ii) Flowing
 - iii) Discounting
 - iv) Growing

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- d) The trading which is trade by individual who buys and then later sells stocks and other securities in a very short period of time is called ____.
- i) Future trading ii) Speculation
 iii) One day trading iv) Option trading
- e) _____ offers a life insurance cover while the premium is invested in equity or debt product or a combination there of.
- i) Unit Linked Insurance Policy ii) Health Insurance Policy
 iii) Fire Insurance Policy iv) Motor Insurance Policy
- f) Which section is used for deduction in respect of repayment of loan taken for higher education?
- i) Section 80 C ii) Section 80 D
 iii) Section 80 E iv) Section 80 I
- g) What is the maximum annual investment of life insurance is exempted from tax?
- i) Rs. 1,00,000 ii) Rs. 1,50,000
 iii) Rs. 1,80,000 iv) Rs. 2,00,000
- h) Project is expected to earn a onetime cash flow of Rs. 2000 in 5 years and estimated a discount rate of 6%. What is the present value of this cash flow?
- i) Rs. 1459 ii) Rs. 1475
 iii) Rs. 1486 iv) Rs. 1493

Q2) Attempt any 2 questions :

- a) A person is planning to send his daughter to college in 18 years. he has determined that Rs. 1,00,000 is required at that time with an average annual rate of return of 8% per year, how much money would he need to invest at the beginning of each year (starting today) to achieve the goal?

- b) Find the EMI of a home loan of Rs. 2,50,000 is to be repaid in 10 years at 12% rate of interest on the outstanding amount at the beginning of each year.
- c) The following amounts are deposited in an account at the end of the year.

Year	1	2	3	4	5	6
Amount (Rs)	5000	4000	4000	5000	6000	5000

Find out the present value and future value after 6 years of these streams of cash flows if the rate of interest is 10% p.a. compounded annually.

Q3) Elucidate the concept of Systematic Investment Plans (SIPS)?

OR

Explain the taxation impact on different investment options.

Q4) Discuss the retirement planning for an individual. Also explain the factors affecting retirement planning.

OR

Explain the benefits of Credit Score and method of consumer credit scoring of consumer loan.

Q5) Discuss the objectives and process of estate planning?

OR

What do you mean by credit card financing? Explain the advantages and disadvantages of credit card financing?

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