

> [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 $\qquad$
i) Original Purchase price
ií) 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) $\qquad$ may be defined as the process of determining the present value of a payment or a stream of payments, whichis likely to be received in the future.
i) Compounding
ii) Flowing
iii) Discounting
iv) $\times$ Growing
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 $\qquad$ .
i) Future trading
iii) One day trading
ii) Speculation
iv) Option trading
e) $\qquad$ offers a life insurance cover while the premium is invested in equity or debt preduct or a combination there of.
i) UnitLinked nsurance 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) Sóstion 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 eam a onetime cash flow of Rs. 2000 in 5 yẻars 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 tocollege in 18 years. he has determined that Rs. $1,00,000$ is required ot that time with an average annual rate of return of $8 \%$ per year, how whe 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. $2_{2} 50,000$ 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 | $20^{\circ}$ | 3 | 4 | 5 | 6 |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: |
| Amount <br> (Rs) | 5000 | 4000 | 4000 | 5000 | 6000 | 5000 |

Find outtíe present value and future value after 6 years of these streams of cash.flowsif 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 nvestmient options.

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

Explain the benefits of Creditscore and method of consumer credit scoing 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?

