

[Time: 2.30 Hrs.]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:**
1. All question are compulsory.
 2. Figures to the right indicate full marks.
 3. Working note should form part of main answer
 4. Use of simple calculators is allowed

Q. 1. A. An investor wants to have Rs. 50,000 in 10 years. If the bank offers an interest rate of 8% compounded annually, how much should the investor invest today to achieve this goal? **08**

Q. 1. B. Distinguish Between Life insurance V/s Non-Life Insurance. **07**

OR

Q.1. C. Mr. Aakash has following investments in two banks **08**

Particulars	Japan Bank	China Bank
Amount Invested (in Rs.)	3,40,000	5,00,000
Compounded Rate of Interest (%)	10	8
Period	5 Years	7 Years

Calculate the value of the investments at the maturity.

Q. 1. D. List down some strategies for risk analysis and insurance planning with respect to a life insurance policy. **07**

Q. 2. A. Mrs. Sufiya works with the government of Maharashtra. He gives you following information for the year ended 31st March, 2023. **08**

Particulars	Amount (in Rs.)
Basic salary (Gross)	3,00,000
Dearness Allowance	1,45,500
Entertainment Allowance (Amount spend on Entertainment Rs. 12,000)	12,000
Employees Provident fund deducted from Salary	30,000

Other Information:

He received Rs. 2, 00,000 from LIC of India as maturity value of life insurance policy taken on his life. He had taken a loan from state bank of India for higher education of his daughter pursuing an engineering degree course of Delhi University. During the year he had paid Rs. 50,000 as principal & Rs. 70,000 as interest.

Compute his taxable income for the assessment year 2023-2024.

Q. 2. B. Explain the features of Pubic Provident Fund. 07

OR

Q. 2. C. Mr. Irwin is working for MI Ltd. The details of the emoluments received and investments made by him are as follows: 08

Particulars	Amount (in Rs.)
Basic Salary	40,000 per month.
Dearness Allowance	12.5% of Basic Salary
Other taxable allowance	25,000 per month
Contribution to PPF	1,80,000
Profession tax	40,000

You are required to calculate the Net Taxable income.

Q. 2. D. What kind of Income generally included under the head – Income from other sources? 07

Q. 3. A. What are the advantages and disadvantages of Investments in stock? 08

Q. 3. B. What are the features of Mutual Funds ? 07

OR

Q. 3. C. What are the benefits and disadvantages of Investment in Real Estate? 08

Q. 3. D. What is portfolio construction? Explain the process of portfolio construction. 07

Q. 4. A. Choose the most appropriate alternative. 08

1. Saving account has _____ interest rates than the checking accounts.

- a) Lower
- b) Equal
- c) Higher
- d) Very less

2. _____ is today's value of future cash flows, discounted at particular discount rate.

- a) Present value
- b) Current value
- c) Future value
- d) Fast value.

3. _____ is not covered under motor insurance.

- a) Loss by fire
- b) Theft
- c) Health claim of driver
- d) Loss caused to another car in accident

4. _____ is the form of investment.

- a) Pension
- b) Stock
- c) Credit card payment
- d) Savings A/C

5. _____ is the combination of insurance and saving.
 - a) ULIP
 - b) Term Insurance
 - c) Endowment plans
 - d) Whole life plan
6. _____ is the first step in risk management process.
 - a) Analysis the loss exposures
 - b) Identifying loss exposures
 - c) Treating loss exposures
 - d) Monitoring loss exposures
7. _____ portfolios with an equal emphasis on growth and income assets.
 - a) Conservative
 - b) High growth
 - c) Balanced
 - d) Growth
8. _____ is the first phase of portfolio management.
 - a) Security analysis
 - b) Portfolio analysis
 - c) Portfolio Selection
 - d) Portfolio evaluation

Q. 4. B. State whether the following statements are true or false.

07

1. Time Value of money is useful for designing the retirement planning
2. Insurance plans are also useful to achieve long term plans.
3. Retirement planning can be done at young age
4. Insurance policies can provide financial protection against potential losses from events like accidents, illnesses, or property damage.
5. Only government employee can contribute towards the PPF
6. Mutual funds are managed by experienced investment professionals with the knowledge and expertise to make sound investment decisions on the fund's behalf.
7. The Certainty Equivalent Quotient (CEQ) is a measure used in decision-making under certainty.

Q. 5. Short Notes: Attempt (Any Three out of Five)

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1. Objectives of tax planning
2. Disadvantages of Consumer Loans
3. Objectives of Risk Management
4. Benefits of Gratuity
5. Steps involved in Risk Return Analysis
