

Sl No of QP : 2706

Paper Name : Personal Finance and Planning

Course : B.Com(Hons) CBCS

Unique Paper code: 22413307

Semester : 3

Duration : 3 Hours

Maximum Marks : 75 marks

Instructions for the candidate:

1. All questions carry equal marks
2. Use of simple calculator, Log tables and annuity tables are permitted
3. Attempt all the questions either in English or in Hindi
4. Attempt parts of the question together

1. Define Financial Goals? Discuss the important aspect that should be considered while deciding about goal setting. (15 marks)
or

a. Explain the concept of Time value of money and its techniques with the help of examples (15 marks)

2.
 - a. What do you mean by the term risk in the context of investing in securities? How do you measure such risks? (7 marks)
 - b. Distinguish between systematic and Unsystematic risk with examples of each type of risk (8 marks)

or

Vidhi wishes to construct an equal weightage portfolio with Securities of A Ltd. and B Ltd.. The basic details of these two securities are given as under:

Market Condition	Probabilities	Expexted Return (%)	
		R Ltd.	S Ltd.
Bad	0.3	12	12
Good	0.4	14	16
Very Good	0.3	16	10

You are required to calculate risk and return of such portfolio (7 marks)

b. What are the different types of schemes of mutual funds prevailing in India?(8 marks)

3.
 - a. Explain the term tax avoidance with example. How is it different from tax evasion and tax planning? (8 marks)
 - b. Difference between old tax regime and new tax regime? (7 marks)

or
a. Mr. Ram is a salaried person and earn 75000 per annum. His contribution to PPF is 1,00,000 and he invests 50,000 in fixed deposit for a period of 5 years in bank. He receives interest on saving bank account as 8000. He also contributes 50000 towards NPS. Calculate his total tax liability under old tax regime. (7 marks)
b. Differentiate between tax evasion and tax planning (8 marks)

4. Explain how investment in real estate market is a good option to consider while investing in market. (15 marks)

or

Write Short note on any two : (7.5 marks*2=15 marks)

- a. Digital Insurance
- b. Life Insurance vs Non-Life Insurance
- c. Different health insurance policies in India
- d. Public Provident Fund

5. Define reverse mortgage with the help of example? What are the tax benefits available in reverse mortgage and what are the reasons behind its unpopularity in India (15 marks)

Or

Explain the role and steps of retirement planning in personal financial planning with examples. (15 marks)