

Seat No.: \_\_\_\_\_

Enrolment No. \_\_\_\_\_

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA - SEMESTER-III • EXAMINATION – SUMMER • 2015**

**Subject Code: 2830010**

**Date: 27-05-2015**

**Subject Name: Financial Planning (FP)**

**Time: 14:30 pm – 17:30 pm**

**Total Marks: 70**

**Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q.1 (a)** What is Personal Financial Planning? How do personal factors affects financial planning? **07**  
**(b)** Assume that after completion of your MBA You got a job in MNC and your starting salary is Rs. 30000. You got performance incentive of Rs.25,000 at the end of year one, Rs.30,000 at the end of years two and three , and Rs.40,000 during each of the years 4 through 8 if the discount rate is 15 percent find out the present value of your Incentive.. **07**

- Q.2 (a)** How does a person’s life situation determine the importance of certain employee benefits? **07**  
**(b)** What opportunity costs are associated with money management activities? What are the three major money management activities? **07**

**OR**

- (b)** Bases on the following data calculate all possible personal financial ratio. **07**

Particular	Amt.	Particular	Amt
Liability	120000	Net worth	360000
Liquid assets	22000	Current liability	5500
Monthly credit payment	1500	Take home pay	9000
Monthly saving	1300	Gross income	15000

- Q.3 (a)** What are the main purposes of budget? Also explain the main step involve in creating budget? **07**  
**(b)** What are the various provision available for tax planning under Section 80C and 80D. **07**

**OR**

- Q.3 (a)** What are commonly recommended Qualities of a successful budget? **07**  
**(b)** How can you plan your tax with the help of residential status and nature of income? **07**

- Q.4 (a)** What is Life Insurance? What are the most common Provision of Life insurance Contract? **07**  
**(b)** Explain risk return trade off. What are the major types of risk associated with Investment? **07**

**OR**

- Q.4 (a)** What is Mutual Fund? Which are the different types of mutual find schemes available in India? **07**  
**(b)** What are the major Factor influencing the cost of home insurance? What action we can take to reduce the cost of home insurance? **07**

- Q.5 (a)** What do you mean by “Investing in Real Estate”? What are the advantages and disadvantages of investing in real estate? **07**  
**(b)** Write a note on CIBIL. **07**

**OR**

- Q.5** Write short notes on following **14**  
1 Whole life policy  
2 Endowment plan  
3 Life insurance v/s General insurance  
4 Advantages of credit

\*\*\*\*\*