

Note:

- 1) All questions are compulsory subject to internal choice.
- 2) Figures to the right indicate full marks.
- 3) Use of simple calculator is allowed

**Q.1.**

**(a) Multiple Choice Questions: (any 8)**

(08)

- 1) The goal of wealth management is to sustain & grow \_\_\_\_\_ term wealth.
  - (a) Long term
  - (b) Short term
  - (c) Medium term
  - (d) None of the above
- 2) Yield curve refers to \_\_\_\_\_.
  - (a) Demand Curve
  - (b) Upward sloping curve
  - (c) Downward sloping curve
  - (d) A line that plots interest rates
- 3) Medical Insurance is offered by \_\_\_\_\_.
  - (a) Banks
  - (b) Life Insurers
  - (c) Non life insurers
  - (d) All of the above
- 4) \_\_\_\_\_ applies to debt investments such as bonds.
  - (a) Credit risk
  - (b) Debit risk
  - (c) Planned risk
  - (d) Unplanned risk
- 5) TDS means \_\_\_\_\_.
  - (a) Tax demanded statutorily
  - (b) Tax demanded subsequently
  - (c) Tax deducted at source
  - (d) Tax deducted at statute
- 6) Deduction for interest on higher education loan can be claimed under \_\_\_\_\_.
  - (a) Sec 80C
  - (b) Sec 80D
  - (c) Sec 80E
  - (d) Sec 80G
- 7) When 2 or more persons join hands for common actions with common objectives are called as \_\_\_\_\_.
  - (a) Body of Individuals
  - (b) Firms
  - (c) Company
  - (d) Association of Persons
- 8) \_\_\_\_\_ involves an analysis of various choices you can make today to help provide for your financial future.
  - (a) Cash budget
  - (b) Cash flow
  - (c) Retirement planning
  - (d) Financial priorities

9) \_\_\_\_\_ is one of the most preferred tax planning instrument in India as it's a Government scheme.

- (a) PF
- (b) PPF
- (c) FD
- (d) Life Insurance plan

10) Wills which are written entirely by hand of the testator are called as \_\_\_\_\_ Wills.

- (a) Sham
- (b) Concurrent
- (c) Holograph
- (d) Calligraph

(b) State whether the following statements are true or false: (any 7)

- 1) A code of ethics issued by a business is a particular kind of policy statement.
- 2) The yield curve is flat when yields of all maturities are close to each other.
- 3) Life insurers are also known as health insurers.
- 4) Liquidity risk is being able to sell your investment at a fair price.
- 5) Longevity risk is the risk of outliving your savings.
- 6) Networth is Assets + Liabilities.
- 7) Total Income is derived after making various deductions from GTI u/s 80C&80U.
- 8) Retirement planning takes into account all emergencies.
- 9) Lifetime annuity pays an income for a specified period of time say 10 years.
- 10) ULIP are policies that combine risk coverage with investing in stock/debt market.

(07)

Q.2.

(a) What are code of ethics for a Wealth manager?

(08)

(b) What is a yield curve? What are its types?

(07)

OR

(p) Ms. Durga an individual submits the flowing information relevant for AY 2018-19.

(15)

Find out the net taxable income of Ms. Durga for AY 2018-19 applying the provisions of set off and carry forward of losses.

Particulars	Rs.
<b>Income from Salary computed</b>	90,000
<b>Income from House Property</b>	
House I	40,000
House II	(60,000)
<b>Income from Business</b>	
Business I (non-speculative)	60,000
Business II(non speculative )	(20,000)
<b>Income from Long Term Capital Gains</b>	50,000
<b>Income from Other sources</b>	
Interest on debentures	2,000
Lottery winnings	10,000

You are also informed that:

- 1. She spent Rs.1500 as collection towards interest on debentures allowed to be deducted u/s 57 as expenditure.
- 2. She has the following carry forward losses:
  - i) Business losses-Rs.10,000 (AY 2014-15)
  - ii) Long term Capital losses –Rs.35,000(AY 2015-16)

Q.3.

(a) What is General Insurance? What are its types?

(08)

(b) What is Active asset management? What are its advantages?

(07)

OR

- (p) Mr. Dinesh Kamble purchased house property for Rs. 1,25,000 on 16<sup>th</sup> August 1991. He made the following addition to the house property. Cost of construction of 1<sup>st</sup> floor in financial year 2005-06 Rs. 12,25,000. The fair market value of the property 1-4-2001 was Rs. 13,50,000. He sold the property on 15<sup>th</sup> September 2017 for Rs. 85,00,000. He paid brokerage of Rs. 25,000 for the sale transaction. The cost inflation index for financial year 2001-02 is 100, for financial 2005-06 is 117 & 2017-18 is 272. Compute the capital gain of Mr. Dinesh Kamble for the Assessment Year 2018-19. (08)

- (q) Following is the Balance Sheet of Aarna Ltd. Find out Current Ratio, Debt Equity Ratio, Quick Ratio. (07)

<b>Balance Sheet</b>			
Liabilities	Amount	Assets	Amount
Equity share capital	10,00,000	Plant and Machinery	7,50,000
8% Preference share capital	7,00,000	Goodwill	6,50,000
9% Debentures	40,400	Stock	1,15,000
Sundry Creditors	40,000	Sundry debtors	1,26,000
Bills Payable	50,000	Bills receivables	1,46,000
Bank OD	10,600	Prepaid expenses	54,000
	18,41,000		18,41,000

**Q.4.**

- (a) What is Ratio Analysis? What are its advantages? (08)

- (b) What is a Will? What are its types? (07)

**OR**

- (p) Following are the details of Mr. Thakur for Assessment Year 2018-19. (08)

- a) Income from Salary Rs.5,00,000
- b) Income from House Property Income Rs.1,50,000
- c) Won Lottery of Rs.50,000

He has made the following payments:

- a) Mediclaim premium of Rs.5,000 paid in cash for preventive health check –up of self.
- b) Contribution to NSC Rs.10,000 and received interest on NSC Rs.4,000 for AY 2018-19.

Compute the taxable income of Mr. Thakur after allowing deductions under chapter VI-A.

- (q) Assuming the total tax liability of Sumit Ltd. is 50,000 and TDS Rs.2,000. Calculate the advance tax payable on the respective due dates. (07)

**Q.5.**

- (a) What is Retirement Planning? What is its need and purpose? (08)

- (b) What are Annuities? Explain its types. (07)

**OR**

- Q.5.** Write Short Notes on (any three) (15)

- 1) Components of Wealth Management
- 2) Principle of Utmost good faith
- 3) New Pension Scheme
- 4) Tax Deducted at source
- 5) Health Insurance

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