

DURATION: 2.5Hours

MARKS: 75

NOTE: 1. All questions are compulsory.
 2. Figures to right indicated marks.
 3. Use of simple calculator is allowed

Q.1.

(a) Multiple Choice Questions: (any 8)

(08)

- 1) TDS means _____.
 (a) Tax deducted at source
 (b) Tax deducted at statute
 (c) Total Debt Servicing
 (d) Tax Due Settlement
- 2) Wealth Management primarily deals with _____.
 (a) Managing government revenue
 (b) Managing personal & family finances
 (c) Managing industrial production
 (d) Managing supply chain
- 3) _____ principle of insurance states that both parties should have faith in each other.
 (a) Principle of Indemnity
 (b) Principle of Utmost Good Faith
 (c) Principle of Contribution
 (d) Principle of Subrogation
- 4) Lagging indicators show _____.
 (a) Future Trends
 (b) Present Conditions
 (c) Past Performance
 (d) Market Expectations
- 5) In life insurance, the insurer is the person who _____.
 (a) Pays the premium
 (b) Issues the policy
 (c) Receives the sum assured
 (d) Signs the nomination form
- 6) A Will becomes valid only when _____.
 (a) Written on stamp paper
 (b) Signed by testator and witnessed
 (c) Registered by CA
 (d) Typed in English
- 7) Retirement Planning mainly focuses on _____.
 (a) Planning for vacations
 (b) Managing finances after retirement
 (c) Paying off loans only
 (d) Reducing company tax

- Yield Curve shows the relationship between _____.
- 8) (a) Interest rate and loan amount
(b) Interest rate and time period
(c) Inflation and income
(d) Cost and demand
- Health insurance covers _____.
- 9) (a) Property loss
(b) Medical expenses
(c) Theft and burglary
(d) Vehicle damage
- Section 80C of the Income Tax Act allows deduction for _____.
- 10) (a) Household expenses
(b) Personal loans
(c) Specified investments and savings
(d) Lottery income
- (b) **State whether the following statements are true or false: (any 7)** (07)
- 1) Trust is the most important factor that an investor expects from the wealth manager.
 - 2) Direct tax is the one which is paid by the tax payer himself.
 - 3) Annuities provide a one-time lump-sum payment to investors.
 - 4) Wealth Manager cannot file income tax return for their client.
 - 5) Individuals with more financial and investment knowledge are generally more willing to accept investment risk.
 - 6) Inflation increase the purchasing power of money overtime.
 - 7) Pension provides regular income after retirement.
 - 8) Budgeting gives you a overview of your account and helps you maintaining saving limit.
 - 9) CAGR means Compound Annual Growth Rate.
 - 10) Insured amount is the amount for which the policy is taken

Q.2.

- (a) Discuss the scope of wealth management. (08)
- (b) Explain the meaning of the term economic indicators. Elaborate on lagging indicators. (07)

OR

- (c) Mr. Sagar (35 years old), a chief executive appointed on a contract of 2 years by Pvt Ltd. The following particular of his income for the finance year ended 31st March, 2020. Compute his total income and tax liability for the assessment year 2020-21. (15)

A) Income Particular:

Particular	Rs
Income from Salary	2,50,000
Income from Business:	
Business I	12,000
Business II	10,000
Income from House Property:	

Self Occupied Property	(5,000)
Let Out Property	6,000
Income from Other Sources:	
Bank. Interest (Fixed Deposit)	1000
Interest on Debenture	2000

B) He has invested the following amount out of his income.

Particular	Rs.	Rs.
1) Deposited into Pension Plan of LIC		13,000
2) Mediciclaim Insurance Premium paid on the life of:		
(a) Dependent Son	1,000	
(b) Wife	2,000	3,000

Q.3.

(a) Explain the characteristics of Insurance. (08)

(b) Describe in detail the various types of Investment Risk. (07)

OR

(c) Mr. Rajesh sells the following assets on 21st December, 2019. (08)

Particulars	Gold	Silver
1) Fair value on the date of transfer (Rs)	7,00,000	1,00,000
2) Amount recorded in the books of account (Rs)	8,00,000	90,000
3) Actual Cost (Rs.)	80,000	20,000
4) Year of Purchase	2009-10	2011-12

Compute capital gain in the hand of Mr. Rajesh for the assessment year 2020-21.

CII for 2009-10 = 148, for 2011-12 = 184 and 2019-20 = 289.

- (d) Following is the balance sheet of Nayak Ltd. Find out Debt Ratio, Debt Equity Ratio, Current Ratio and Liquid Ratio. (07)

Liabilities	Amount	Assets	Amount
Equity share capital	4,00,000	Fixed Assets	8,00,000
General Reserves	80,000	Stock in Trade	2,20,000
Profit & Loss A/c	8,000	Debtors	2,20,000
Mortgage Loan	3,20,000	Cash & Bank Balance	20,000
Bank Overdraft	92,000		
Creditors	3,60,000		
Total	12,60,000	Total	12,60,000

Q.4.

- (a) What are the requirement of a valid will? (08)
- (b) Explain the term wealth creation and the factors affecting wealth creation. (07)
- OR**
- (c) Following is the detail of Mr.Sridhar for assessment year 2022-23 (08)

- a) Salary -Rs.1,00,000 pm
 b) Income from house property Rs.25,000 pm
 c) Interest on savings a/c Rs.14,000
 d) Interest on Fixed Deposit a/c Rs.42,000
 e) Interest on PPF a/c Rs. 12,000
 f) Insurance premium paid Rs.1,00,000
 g) Mediciam premium for himself and spouse Rs.30,000
 h) Mediciam premium of senior citizen parents Rs.35,000

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

- (d) Ms.Sristhi is an assessee whose estimated tax liability is Rs. 7,00,000 and TDS paid is Rs. 80,000 during the previous year. Calculate the advance tax payable on the respective due dates (07)

Q.5

- (a) Elaborate on the pre retirement strategies. (08)
- (b) Explain the need and purpose of retirement planning. (07)

OR

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

- 1) Health Insurance
- 2) Employees Provident Fund
- 3) Tax Deducted at Source
- 4) Responsibilities of the insured
- 5) Code of Ethics of Wealth Manager
