

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA-SEMESTER-IV-EXAMINATION-WINTER-2024

Subject Code: 4549284**Date: 16/12/2024****Subject Name: Financial Planning and Taxation****Time: 02:30 PM TO 05:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

- Q.1 Explain in short answers** **14**
- (a) What is the normal term for PPF account and currently what is the minimum & maximum amount one can deposit per annum in PPF?
 - (b) Which Section of IT offers Senior Citizens Rs 50,000 deduction on Bank Interest Income?
 - (c) With reference to Mutual Funds what is SIP, SWP & STP?
 - (d) What is Time Value of Money? How will you calculate future value of lumpsum if present value, compounding rate & period in years is given?
 - (e) State the reasons for Retirement Planning.
 - (f) What is TRACES?
 - (g) List the factors that influences the life goals of a person.
- Q.2 (a) Describe various Personal Financial statements which are used for Financial Planning.** **07**
- (b) What are the main milestones (goals) in almost everybody's life for which a financial plan is formulated?** **07**
- OR**
- (b) Explain the Financial Planning Process.** **07**
- Q.3 (a) What are Mutual Funds? State the types of Mutual Funds and benefits of Mutual Funds.** **07**
- (b) Classify the types of Real and Financial Investment options.** **07**
- OR**
- Q.3 (a) Explain the factors which affects the choice of investment decision of an individual.** **07**
- (b) Discuss different types of Life Insurance Plans.** **07**
- Q.4 (a) Which are the different popular avenues for Retirement Planning?** **07**
- (b) What is Form 16? What is included in different parts of Form 16? What does a AS26 shows?** **07**
- OR**
- Q.4 (a) Explain various deductions available under Section 80, if one has opted for Tax Computation according to Old Regime?** **07**
- (b) Explain Reverse Mortgage.** **07**

Q.5 CASE STUDY:

Shiva after passing out his MBA 5 years ago, have now well settled in his job. His Gross Salary per month is Rs. 60000, in which basic is Rs. 15000 and DA Rs. 15000, other amount being various allowance. He got married two years back and recently he is blessed with a son Sunil. His wife Kate is a home maker. His company has opened his account in EPFO. In his deduction are professional tax of Rs 200 per month and EPF contribution of 12% of Basic & DA.

He also does part – time job in the evening and earns another Rs 20,000 gross per month. Currently they are living in a rented house, but in 5 years' time he is planning to buy a 2BHK flat costing currently at Rs. 45 lakhs.

He also has a goal of higher education for his son Sunil who is currently one year old. He wants to make Sunil a doctor when he turns 17 years old. The current cost of the same is Rs. 90 lakhs.

He also has a savings bank account, for which he earns an annual interest of Rs. 12000. He had also donated Rs. 10,000 in Prime Minister's relief fund in the current financial year.

Shiva and Kate have also thought of going to Singapore after 2 years which currently costs Rs.90,000 per person.

- a) Make a table showing all the goals of Shiva with goals, current value, Maturity amount, Importance, Tenure and so on. Also suggests some other goals which he had missed out and add to the list of goals. **07**
- b) Are all the goals achievable from his savings. If not then suggest some rationalization method. **07**

OR

- a) How much deduction is admissible to Shiva for the current financial year from the above information in Income Tax if he opts for Old Regime tax structure? **07**
- b) If he wants to save for his goals, which investments will you suggest to him? **07**
