

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)** (07)

- 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.

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.
Income from Salary computed	90,000
Income from House Property	
House I	40,000
House II	(60,000)
Income from Business	
Business I (non-speculative)	60,000
Business II(non speculative)	(20,000)
Income from Long Term Capital Gains	50,000
Income from Other sources	
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 16th August 1991. He made the following addition to the house property. Cost of construction of 1st 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 15th 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)

Balance Sheet			
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
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	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)

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

He has made the following payments:

- Mediclaime premium of Rs.5,000 paid in cash for preventive health check –up of self.
- 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)

- Components of Wealth Management
- Principle of Utmost good faith
- New Pension Scheme
- Tax Deducted at source
- Health Insurance
