

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER –IV-EXAMINATION – SUMMER-2022

Subject Code: 4549284**Date: 22-07-2022****Subject Name: Financial Planning and Taxation****Time: 10:30 AM TO 01:30 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** Define the following (2*7=14) **14**
- (a) Mutual Funds
(b) Gratuity
(c) Real Estate
(d) Derivatives
(e) Superannuation Fund
(f) Bonds
(g) Insurance
- Q.2** (a) Financial Planning can lead to one's financial well-being and security in life. Express your opinion on this. **07**
- (b) What are the various investment avenues available for tax deduction under Section 80C? **07**
- OR**
- (b) What are Mutual Fund? State the benefits of investing in mutual funds. **07**
- Q.3** (a) Time value of money is important together with risk and return for deciding the investment avenue. Throw some light on the same. **07**
- (b) Why has E-filing of Income tax return more preferred in today's scenario? Please Explain **07**
- OR**
- Q.3** (a) Discuss various advantages and disadvantages of investing in real estate. **07**
- (b) Explain the retirement schemes in detail like PPF, NPS, Gratuity, Reverse Mortgage, and EPF, Senior Citizen Scheme. **07**
- Q.4** (a) What is Form – 16? Explain its structure and inclusions **07**
- (b) You are earning Rs. 25000 per month, plan your investments and tax benefits. Show the figures of all the Income and expenses for the month. Also avenues where you will invest and why? **07**
- OR**
- Q.4** (a) Choice of investment avenues vary from person to person. Discuss some long term and short term investment avenue in detail **07**
- (b) If you are a salaried person and making personal financial planning for your future. What factors will influence to that task? **07**

Q.5

Madhav a 40 year old successful MBA. His salary is Rs. 20 lakh per annum plus substantial bonus to the tune of Rs. 5 lakh per annum. His wife Shweta was earlier a consultant but now she is a full time mom of one year old daughter Sakshi. They are devoted towards their family and live well within their means. Thus they have accumulated a substantial balance to the tune of Rs 20 lakh in their account. They have a strong desire that Sakshi should take up a B. Tech degree from NIT . As a family they enjoy every year exploring different locations within the country. Now he is also thinking of buying a big SUV to replace his small car. For long Madhav was considering to make a Personal Financial Plan for his family. A plan should have insurance cover for his life as well as health cover for his family. At present Madhav is not able to take the full benefit of Tax deductions as he had not done Tax planning.

- (a) Make a list of Short and Long term goals for Madhav which are SMART goals 07
(b) Suggest some good Investment options to him so as to take advantage of tax deductions as well as getting a good decent return so as to meet his future goal of buying a SUV as well as higher education for Sakshi. 07

OR

- (a) Should Madhav have life cover and health insurance for his family? According to his current income and age, how much Insurance cover he should take by thumb rule? How much amount of health insurance premium he should pay for his family so he can take maximum advantage in Income tax deduction? Under which sections should he claim deductions for Life Insurance premium paid as well as Healthcare Insurance premium paid? 07
(b) Suggest some Good Retirement Planning options that he should take so that he can secure his old age. Also state how much maximum tax deductions he can plan for under different sections. 07
