

Seat No.: \_\_\_\_\_

Enrolment No. \_\_\_\_\_

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA– SEMESTER –IV–EXAMINATION – WINTER–2023**

**Subject Code:4549284**

**Date: 01-12-2023**

**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. No.		Marks
Q.1	<b>Define the following:</b> (a) Gratuity (b) Mutual Fund (c) Wealth tax (d) Property Insurance (e) Income tax (f) Goods and Service Tax (g) Whole life insurance	14
Q.2	(a) Define Financial Planning. Explain the process of carrying out financial planning.	07
	(b) Discuss the financial aspects of career planning.	07
	<b>OR</b>	
	(b) Discuss the benefits of personal financial planning.	07
Q.3	(a) What are the advantages and disadvantages of making real estate investment? Discuss.	07
	(b) What is Public Provident Fund. Discuss its major features.	07
	<b>OR</b>	
Q.3	(a) Define and differentiate equity investment from bond investment.	07
	(b) Discuss the importance of making investment into precious metal like gold and silver.	07
Q.4	(a) Discuss the life cycle approach to financial planning.	07
	(b) Define Employee Provident Fund and discuss its benefits after retirement.	07
	<b>OR</b>	
Q.4	(a) Discuss the reasons behind why retirement planning is required for every individual.	07
	(b) Write a short note on National Pension Scheme (NPS)	07

**Q.5**

**CASE STUDY:**

Can you imagine saving Rs. 1000 a month and having it grow to over Rs. 50,000? As hard as that may be to believe, that's exactly what Ramesh was able to do. Putting aside a quarter a week starting in bits, he built up a small savings account. These funds were then invested in various stock and mutual funds. While in college, Ramesh was able to pay for his education while continuing to save at least Rs. 1000 a month. He closely monitored spending. Ramesh realized that the few rupees here and there for snacks and other minor purchases quickly add up.

Today, at age 27, Ramesh works as a customer service manager for an online sales division of a retailing company. He lives with his wife, Ruchita, and their two young children. The family's spending plan allows for all their needs and also includes regularly saving and investing for the children's education and for retirement.

Recently, Ramesh was asked by a coworker, Ketan, "How come you and your wife never seem to have financial stress in your household?"

Ramesh Replied, "Do you know where your money is going each month?"

"Not really", was Ketan's Responded.

"You'd be surprised by how much is spent on little things you might do without that", Ramesh responded.

"I guess so. I just don't want to have to go around with a notebook writing down every amount I spend", Ketan said in a troubled voice.

"Well, you have to take some action if you want your financial situation to change and improve," Ramesh said in an encouraging voice.

Ketan accepted with, "All right, what would you recommend?"

- (a) What money management behaviours did Ramesh practice that most people neglect? Explain. **07**
- (b) What additional goals might be appropriate for Ramesh, Ruchita, and their children to improve further? Discuss. **07**

**OR**

- Q.5** (a) Discuss the benefit of tax deduction of interest on home loan as well as principal payment on home loan available to individuals for saving tax as per old regime. **07**
- (b) Explain the new tax regime for individuals announced by our finance minister in her latest budget announcement and differentiate with the old one. **07**

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