[This question paper contains 2 printed pages]

Your Roll No....................

Sr. No. of Question Paper : 5872

Unique Paper Code	:	2924000033
Name of the Paper	:	Personal Finance
Name of the Course	:	Bachelor of Business Administration (FIA), NEP
Semester	:	IV
Duration	:	3 Hours
Maximum Marks	:	90

Instructions for Candidates

(i) *The Question paper contains 6 Questions. Attempt any 5 questions.*
(ii) *All questions carry equal marks.*
(iii) *Use of Simple Calculator is allowed.*
(iv) *Attempt all sub-parts of a question, if any, together.*
(v)

Q1. (a) ''A Sound Financial planning is the key to meet financial goals''. Elaborate this In the light of various steps involved in the process of financial planning. (10)

(b) Define Tax free and tax deferred Income? Explain common tax planning strategies for individuals.. (8)

Q2. (a) Risk management is the process of identifying and measuring risk and ensuring that the Risks being taken are consistent with the desired risks. Comment. Briefly Explain the Objectives of Risk management. (10)

(b) Describe Principles of Insurance? Do you think that the primary purpose of insurance is to reduce the risks an insured faces? Comment. (8)

Q3. (a) Compute the Expected return and Risk of the following security. (10)

State	Probability A	Return(%)
Boom	0.30	30
Stagnant	0.40	11
Bust	0.30	-17

(b.) What are the various services been offered by mutual fund? Why are diversification and Building portfolio of investment so important in mutual funds?

(8)

Q4. (a) Briefly describe Real estate investment trust (REIT). Do you think REITs is an excellent alternative for attracting investments in the infrastructure and real estate sectors.?
(10)

(b) Explain the relationship of Retirement planning to Personal financial planning. Briefly describe the pitfalls to sound retirement planning. (8)

Q5(a) Risk and return are the two opposite forces working in the investment decision process. Comment. Briefly explain the investment decision process for an investor. (10)

(b) Health insurance is a financial tool that provides coverage for medical expenses. 'Comment'. Also explain the importance of health insurance coverage. (8)

Q6. Write short notes on any four of the following: (4.5 * 4 = 18)

a) Tax Planning
b) Coinsurance
c) Principle of Indemnity
d) Risk management
e) Investing in real estate