[This question paper contains 2 printed pages.]

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

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Sr. No. of Question Paper : 7829

Unique Paper Code : 2924000033

Name of the Paper : Personal Finance (GE)

Semester : IV

Duration : 3 Hours

Maximum Marks : 90

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. The paper consists of **7** questions, attempt any **6**.
3. Each Question carries equal marks.

1. (15)

(a) Describe the Personal Financial Planning Life Cycle. How does understanding this cycle assist in making effective financial plans?

(b) Discuss the common misconceptions about financial planning. How can these misconceptions be addressed to improve financial decision-making?

2. (15)

(a) Explain the difference between tax avoidance and tax evasion. Why is it important for individuals to understand this distinction?

(b) Describe the fundamental objectives of tax planning and discuss some common tax planning strategies that individuals can use to maximize their deductions.

3. (15)

(a) What are the basic principles of risk management and underwriting in insurance? How do they apply to life insurance?

(b) Compare and contrast term life insurance and whole life insurance. What factors should individuals consider when choosing between these two types of policies?

4. (15)

(a) Discuss the importance of health insurance coverage. What key factors should individuals consider when choosing a health insurance plan?

(b) Explain the basic principles of property insurance. What is the principle of indemnity, and how does coinsurance work in property insurance?

5. (15)

(a) What are the main risks and returns associated with investing? How can investors manage the risk-return trade-off in their investment portfolio?

(b) Explain the concept of asset allocation and portfolio management. How can these strategies help in keeping track of investments and achieving financial goals?

6. (15)

(a) Describe the different modes of real estate investment. What are the key considerations when investing in real estate?

(b) Explain the role of retirement planning in personal financial planning. What are some common pitfalls to avoid in retirement planning, and how can individuals estimate their income needs for retirement?

7. Write short notes on **any three** of the following : (5 marks each)

(a) Determining the Right Amount of Life Insurance

(b) Benefits of Investing in Mutual Funds and ETFs

(c) Key Measures of Performance in Equity Investing

(d) Sources of Retirement Income