

Time: 2 ½ Hours

Marks: 75

Q.1.

(a) Multiple Choice Questions: (any 8)

(08)

- 1) \_\_\_\_\_ defines as a relationship between an advisor and individual or a household.
  - (a) Wealth Management
  - (b) Investment Management
  - (c) Financial Management
  - (d) Taxation Management
- 2) The yield curve is \_\_\_\_\_ when yields of all maturities are close to one another.
  - (a) Flat
  - (b) Upward sloping
  - (c) Downward sloping
  - (d) Humped
- 3) The risk of loss in the purchasing power due to price rise is known as \_\_\_\_\_.
  - (a) Longevity Risk
  - (b) Inflation Risk
  - (c) Reinvestment Risk
  - (d) Foreign Investment Risk
- 4) Interest on higher educational loan can be claimed for deduction under \_\_\_\_\_.
  - (a) 80C
  - (b) 80D
  - (c) 80E
  - (d) 80U
- 5) \_\_\_\_\_ refers to annual return on investment.
  - (a) Credit
  - (b) Yield
  - (c) HLV
  - (d) Commission
- 6) Deduction for handicap dependent relative can be claimed under section \_\_\_\_\_.
  - (a) Sec 80C
  - (b) Sec 80D
  - (c) Sec 80DD
  - (d) Sec 80U
- 7) HLV stands for \_\_\_\_\_.
  - (a) Human Life Volume
  - (b) Huge Life Value
  - (c) Human Life Value
  - (d) Human Life Venture

- 8) \_\_\_\_\_ insurance principle means both the insured and the insurer should have faith in each other.  
 (a) Principle of Contribution  
 (b) Principle of Indemnity  
 (c) Principle of utmost good faith  
 (d) None of the above
- 9) \_\_\_\_\_ is lesser than Nominal return.  
 (a) Real return  
 (b) Capital investment return  
 (c) Inflation Adjusted return  
 (d) Normal return
- 10) A \_\_\_\_\_ is one used to invest and disburse money in tax favour retirement plan.  
 (a) Non-qualified Annuity  
 (b) Qualified Annuity  
 (c) Lifetime Annuity  
 (d) Pure lifetime Annuity

- (b) **State whether the following statements are true or false: (any 7)** (07)
- 1) Long term capital loss cannot be set off against short term capital gain.
  - 2) Insurance is a device to transfer the risk/ losses from the insured to the insurer.
  - 3) Ratio analysis is an important technique of financial statement analysis.
  - 4) Employee Provident fund is a retirement benefit applicable only to salaried employees.
  - 5) Investment in infrastructure bonds can be claimed for deduction under section 80C.
  - 6) Foreign Investment risk refers to the risk of loss that arises when investing in foreign countries.
  - 7) A Wealth Manager should not act as a Salesman but as an Advisor.
  - 8) Stock is not a current asset.
  - 9) Interest is the cost of owned money.
  - 10) SIP stands for systematic interest plan.

**Q.2.**

- (a) Explain the component of Wealth Management in brief. (08)
- (b) What is Yield Curve? Explain the different types of Yield Curve. (07)

**OR**

- (c) Ms. Rupal is an individual submits the flowing information relevant for AY 2022-23 (15)  
 Find out the net taxable income of Ms. Rupal for AY 2022-23, applying the provisions of set off and carry forward of losses.

Particulars	Rs.
<b>Income from Salary</b>	1,20,000
<b>Income from House Property:</b>	
Loss from Mira road House	(85,000)
Income from Andheri House	45,000
Income from Lonawala house	25,000
<b>Income from Business</b>	
Business I (Non-Speculative)	54,000
Business II (Non-Speculative)	(14,000)

Business III (Speculative)	25,000
Income from Long Term Capital Gains:	30,000
Short term Capital Loss:	(20,000)
<b>Income from Other sources:</b>	
Interest on debentures	4,000
Interest on Bank fixed deposits	12,000

You are also informed that:

She spent Rs. 3,500 as collection towards interest on debentures allowed to be deducted u/s 57 as expenditure.

She has the following carry forward losses:

Speculative Business losses- Rs. 30,000 (AY 2020-21)

Long term Capital losses – Rs. 45,000 (AY 2018-19)

**Q.3.**

- (a) Discuss Functions of Insurance in brief. (08)
- (b) What is Investment Planning? Discuss different types of Investment Risks. (07)

**OR**

- (c) Mr. Ballu purchased a house property for Rs.10,00,000 on 10<sup>th</sup> September 1992. He made the following additions to it. (08)

Cost of construction of first floor in Financial Year 2004-05 is Rs. 4,00,000

Cost of construction of second floor in Financial Year 2008-09 is Rs. 6,00,000

Fair market value of property on April 1, 2001 was Rs. 7,00,000.

She sold the property on 25<sup>th</sup> October, 2021 for 50,00,000. He paid a brokerage of Rs. 2,00,000 for the sale transaction.

**The CII for financial year 2021-22 is 317, 2004-05 is 105, 2008-09 is 137 & 2001-02 is 100.**

Compute the Capital gain of Mr. Ballu for the Assessment Year 2022-23.

- (d) Following is the Balance Sheet of Nandu Ltd. (07)

**Balance Sheet**

Liabilities	Amount	Assets	Amount
Equity share capital	2,50,000	Plant and	3,50,000
General Reserve	70,000	Machinery	2,50,000
14% Bank Loan	4,50,000	Furniture	4,52,000
Outstanding expenses	30,000	Cash and Bank	1,00,000
10% Preference shares	92,000	Stock	1,50,000
Capital	3,60,000	Debtors	
Creditors	50,000		
Bank Overdraft			
<b>TOTAL</b>	<b>13,02,000</b>	<b>TOTAL</b>	<b>13,02,000</b>

From the above information calculate:

Liquid Ratio

Current Ratio

Debt Equity Ratio

Capital Gearing Ratio

**Q.4.**

- (a) What is TDS and when is it payable? (08)  
 (b) Explain the difference between Active and Passive investment strategies. (07)

**OR**

- (c) Compute the taxable income and tax liability of Mr. Robot who is a senior citizen for the assessment year 2022-23. (08)

Particulars	Amt Rs.
Income from Business	7,25,000
Income from Salary	6,65,000
Interest on NSC	10,500
Interest paid on Higher Educational loan	1,71,500

His wife is dependent and handicap. Find out his taxable income and calculate his tax liability as per old slab for the assessment year 2022-23.

- (d) Mr. Yogi is an assessee whose estimated tax liability is Rs. 18,00,000 and TDS paid is Rs. 1,20,000 during the previous year. Calculate the advance tax payable on the respective due dates. (07)

**Q.5**

- (a) Explain financial objectives in retirement planning in brief. (08)  
 (b) Discuss Post – Retirement Strategies in brief. (07)

**OR**

- Q.5** Write Short Notes on (any three) (15)

- 1) National Pension Scheme (NPS)
- 2) Requisites of a Valid Will
- 3) Deduction under Section 80C
- 4) Life cycle Model
- 5) Health Insurance

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