

Exam.Code:5173
Sub. Code: 14561

2125
B.Com. (Financial Markets) FYUP
Third Semester
Paper: Financial Education and Planning

Time allowed: 3 Hours

Max. Marks: 80

NOTE: Attempt four short answer type questions from Section–A. Attempt two questions each from Section B and C respectively.

x-x-x

Section – A

I. Attempt any four of the following:-

- a) What is financial planning?
- b) Difference between real assets and financial assets.
- c) Explain features of a budget.
- d) Explain general insurance.
- e) Difference between gambling and speculation.
- f) Explain investments. (4x5)

Section - B

- II. Define Budget. Explain different types of Budget. (15)
- III. a) Calculate the present value of Rs. 10,000 to be received after 5 years from now assuming 6 % time preference for money. (Discount factor at 6 % for 5 years is 0.747)
- b) If Mr. A deposit 10,000 today at 12 percent rate of interest, in how many years will this amount grow to 80,000? Calculate the value using the rule of 72, without using factor tables.
- c) Calculate the amount of equal payment to be made for a loan of Rs. 2,00,000 taken for a period of 4 years at 10 % rate of interest. (Annuity discount factor at 10 % for 4 years is 3.170). (15)
- IV. Explain in detail how insurance is an investment tool? (15)
- V. Discuss different types of life insurance policies. (15)

P.T.O.

(2)

Section - C

- VI. What do you mean by Financial Planning? Discuss the need and importance of Financial Planning? (15)
- VII. Explain in detail Short term, medium term and long term goals. (15)
- VIII. Define savings. What are the avenues of savings from surplus? (15)
- IX. Prepare a personal budget depicting numerical values, with the help of life goal of purchasing a house? (15)

x-x-x