Roll No										

PRESIDENCY UNIVERSITY

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Presidency University Act, 2013 of the Karnataka Act No. 41 of 2013 | Established under Section 2(f) of UGC Act, 1956
Approved by AICTE, New Delhi | Approved By BCI
Bengaluru

Even Semester End Term Examination, May / June 2026		
Date: 21/05/2026		**Time: 01.00 PM - 04.00 PM**
Course Code: MBA3037	**Course Name: Personal Wealth Management**	
Semester: Fourth Semester	**Max. Marks: 100**	**Weightage: 50%**

CO - Levels	CO1	CO2	CO3	CO4
Marks	**26**	**29**	**44**	**41**

Part A: Answer Following Questions. 30 M

Qn.No	Questions	M	CO	BT
1	Explain any two steps involved in the personal financial planning process.	3	CO1	BT1
2	Mr. Mohit, aged 35, is working for a Bank. His monthly take-home salary is Rs 60,000. He is married with 2 children. Living expenses are Rs 30,000 per month. He is staying in his own house which has an EMI of Rs 15,000. He also has a Car Loan of Rs 5,500. He has a Money Back Plan with a Sum Assured of Rs 300,000 and a premium of Rs 9,700 half-yearly. Calculate Liquidity ratio of Mr. Mohit. Assets Value (Rs) | Value (Rs) Savings A/c | 62,000 FD (Fixed Deposit) | 205,000 Equity Shares | 25,000 Gold Ornaments | 550,000 House | 4,500,000	3	CO1	BT2
3	Explain investment planning. Mention any two key investment criteria that an investor should consider while making investment	3	CO2	BT1

	decisions.			
4	Differentiate between Tax Planning, Tax Avoidance, and Tax Evasion with suitable examples.	3	CO2	BT2
5	Consider Ms. A, a 30-year-old professional earning Rs. 20, 50,000 per annum. Assuming she plans to work until age 60, her remaining working years total 30. Her financial responsibilities include a housing loan of Rs. 50,00,000, and annual living expense of Rs. 12,00,000. (Ignore discounting).find out the insurance coverage required by Using replacement cost method	3	CO2	BT2
6	Mr. X has a gross salary income of ₹6,50,000 for the financial year. He has invested ₹1, 50,000 under Section 80C and paid ₹20,000 towards health insurance premium under Section 80D.Compute his taxable income under the old tax regime.	3	CO3	BT2
7	Interpret the role of the Income Tax Return in the national economy and illustrate the specific conditions that necessitate its filing by an individual.	3	CO3	BT2
8	Explain Various types of return on the basis of time period.	3	CO3	BT1
9	Differentiate between estate planning and retirement planning	3	CO4	BT2
10	Mr. Raj, aged 40, currently spends ₹3, 00,000 per year. He plans to retire after 20 years. If inflation is expected to be 5% per annum, calculate his annual expenses at the time of retirement.	3	CO4	BT1

Part B: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
11	Mr. Rohit earns a monthly salary of ₹90,000. His monthly expenses are as follows: House Rent: ₹20,000; Groceries: ₹12,000; Utilities: ₹5,000; Transportation: ₹6,000; Insurance Premium: ₹4,000; Entertainment: ₹5,000; Miscellaneous Expenses: ₹3,000. He also saves ₹15,000 per month and pays an EMI of ₹8,400. Based on the above information: (i) Prepare a monthly personal budget statement. (ii) Calculate his total expenses and surplus/deficit. (iii) Suggest whether his budgeting is appropriate, giving reasons.	10	CO1	BT3
12	Mr. R Ashwin is working is in a ABC Ltd. He draws a monthly salary of Rs. 95,000. His monthly food expenses are Rs. 32,000 per month, Rent Rs. 10,000 per month. He has taken life insurance for 45 lakhs for which he pays Rs.24,000 annual premium. He has also taken personal loan of Rs. 4 Lakhs for which EMI is Rs. 5,000 per month. He owns a house having market value Rs. 65 lakhs and Jewellery having market value Rs. 8 lakhs.He also owns a car having market value Rs. 5.5 lakhs and Shares having market value Rs. 2.5 lakhs. As a financial planner compute following ratios for him and comment about his financial position. His balance in saving bank account is Rs. 90,000. Required: a) Liquidity ratio b) Expanded liquidity ratio c) Solvency ratio d) Debt to income ratio e) Saving to income ratio	10	CO1	BT3

Part C: Answer Any 1 Following Questions. 10 M				
Qn.No	**Questions**	**M**	**CO**	**BT**
13	Mr. Suresh, aged 30, is the sole earning member of his family. He earns ₹8, 00,000 per annum. His annual personal expenses are ₹2, 00,000, and he pays income tax of ₹50,000 per year. He plans to retire at the age of 60. Assuming a discount rate of 8% per annum. calculate the i.) Human Life Value (HLV) of Mr. Suresh. ii.) Determine the adequate life insurance cover required. comment on the importance of HLV in insurance planning	10	CO2	BT3
14	Explain various Types of insurance and Principles of Insurance.	10	CO2	BT3

Part D: Answer Any 1 Following Questions. 10 M				
Qn.No	**Questions**	**M**	**CO**	**BT**
15	Mr. Khan a 40 year old person is working at a salary of Rs. 1, 40,000 per month. His monthly expenses are Rs. 38,000 month. He deposits Rs. 12,000 per month in PPF and has taken a life insurance on which he pays annual premium of Rs. 40,000. During the year 2025-26 he received interest on saving account amounting to Rs. 15,000. He has also short term capital gain on sale of equity shares amounting to Rs. 65,000. He is not able to decide between old tax regime and new tax regime. As a financial consultant compute for him tax payable under old and new tax regime for the previous year 2025-26 and suggest the best tax regime for him.	10	CO3	BT3
16	Mr. Z , a resident individual, sold two assets during the previous year 2024-25. He provides the following details regarding his transactions and subsequent investments: Asset 1: Residential House a) Date of Purchase: June 10, 2012. b) Cost of Acquisition: ₹4,000,000 c) Date of Sale: November 15, 2024 > Sale Consideration: ₹18,000,000 > Brokerage paid on sale: 1% > New Investment: Purchased a new residential apartment on February 20, 2025, for ₹6,000,000. • Compute the taxable Long-Term Capital Gains for Mr. Z for the Assessment Year 2026-27 after claiming exemption if any.	10	CO3	BT3

Part E: Answer Any 1 Following Questions. 10 M				
Qn.No	**Questions**	**M**	**CO**	**BT**
17	Mr Jay has just retired from service. He has built a retirement fund of Rs 24 lacs, which he intends to use over his post retired life. He requires Rs 20000 at the end of every month for living. If inflation is assumed at 6% pa and investment returns at 8% pa., how long will his fund last?	10	CO4	BT2
18	Mr. Mohan is 70 years old. He has three sons. He wants to create a will for his properties to avoid any disputes among his sons after his death regarding distribution of properties. As a financial consultant	10	CO4	BT2

	suggest him different types of wills along with characteristics of a will			

Part F: Answer Following Questions. 30 M

Qn.No	Questions	M	CO	BT
19	Mr. Advait is employed as a Senior Manager in a private company based in Delhi. He has opted for the New Tax Regime under Section 115BAC. The details of his salary profile for the previous year 2023-24 are as follows: i. Basic Salary: ₹80,000 per month. Dearness Allowance (DA): ₹30,000 per month (40% forms part of retirement benefits). House Rent Allowance (HRA): ₹25,000 per month. (He pays a monthly rent of ₹20,000 for an apartment in Delhi). Transport Allowance: ₹3,200 per month. Children Education Allowance: ₹500 per month (He has two children). Bonus: Received a lump sum bonus of ₹1, 20,000 during the year. Medical Expense Reimbursement: ₹15,000 against actual bills submitted. Required: a) Calculate the Gross Salary. b) Apply the relevant deductions available under the Old Tax Regime. c) Determine the Net Taxable Income and tax payable under old tax regime	15	CO3	BT4
20	Mrs. Deshpande aged 38, is a working professional earning a stable income. She wishes to retire at the age of 60 and maintain her current standard of living. Her present annual expenses are ₹5, 00,000. She expects inflation to be 6% per annum. After retirement, she expects to earn a return of 8% per annum on her investments and plans for a post-retirement life of 25 years. She has approached a financial planner to estimate her retirement needs and to structure a suitable plan. Required: a) Estimate the annual expenses at the time of retirement. b) Calculate the total retirement corpus required at the time of retirement. c) Determine the annual savings required from now until retirement, assuming a pre-retirement return of 10% per annum. d) Suggest suitable investment avenues for Mrs. Iyer to achieve her retirement goal.	15	CO4	BT3