

**PARUL UNIVERSITY**  
**FACULTY OF COMMERCE**  
**B.Com.(Hons) Summer 2022 – 23 Examination**

**Semester: 4**  
**Subject Code: 16101253**  
**Subject Name: Personal Financial Management**

**Date: 31-03-2023**  
**Time: 10:30am to 1:00pm**  
**Total Marks: 60**

**Instructions:**

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

**Q.1 Do as directed.****A) Multiple choice type questions. (Each of one mark) (06)**

1. The rise in the general level of prices of goods and commodities is called  
A) Deflation B) Stagnation  
C) Inflation D) Influence
2. Cash and Cash equivalent items of value that can easily be converted to cash is called  
A) Fixed Assets B) Liquid Assets  
C) Real Assets D) Nominal Assets
3. Which of the following is/are Electronic Payment method?  
A) Online payment B) Debit/Credit Card  
C) e-Wallet D) All of these
4. An insurance that covers the whole or a part of the risk of a person incurring medical expenses, spreading the risk over numerous persons  
A) Health Insurance B) Life Insurance  
C) Auto Insurance D) None of these
5. Which of the following is the source of short term investment?  
A) Equity Stocks B) Debentures  
C) Preference Shares D) Money Market Instruments
6. Which of the following is Direct Tax?  
A) Income Tax B) Sales Tax  
C) Goods and Service Tax D) Service Tax

**B) Define/Explain the following terms. (Each of one mark) (06)**

1. Money Management
2. Goods and Service Tax
3. Credit Card
4. E-Wallets
5. Disability Income Insurance
6. Gilt Funds

**Q.2 Write Short Note on following. (Each of 04 mark) (12)**

1. Tax Avoidance and Tax Planning
2. Certificate of Deposits (CDs)
3. Types of Consumer Credit

**Q.3 Answer the following. (Attempt Any Three) (Each of 06 mark) (18)**

1. Discuss the factors influencing personal financial planning.
2. Discuss the factors to be considered at the time of evaluating saving plans.
3. Explain the types of Life insurance policies.
4. Discuss various sources of information for investment.

**Q.4 Answer the following. (Attempt Any two) (Each of 09 mark) (18)**

1. What do you mean by Personal Financial Planning? Explain its process.
2. What is Consumer Credit? Explain the sources of consumer credit.
3. Explain the home buying process in detail.