

- Q.4 (a)** Discuss the various types of bonds and debt securities available in Indian financial market. **07**
- (b)** How changing Economic conditions and its impact on Financial Decisions? **07**

OR

- Q.4 (a)** 1) Using Dollar Cost Averaging. For four years, Mary Nations invested Rs.3, 000 each year in America Bank stock. In 2003, the stock was selling for Rs.34. In 2004, the stock was selling for Rs.48. In 2005, the stock was selling for Rs.37. In 2006, the stock was selling for Rs.52. After four years, how many shares does Ms. Nations own? **07**
- 2) Ben Collins plans to buy a house for Rs.65, 000. If that real estate property is expected to increase in value 5 percent each year, what would its approximate value be seven years from now? (future value for 5%, 7 yrs is 1.407)

- Q.4 (b)** Explain various numeric measures that influence investment decisions in stock market. **07**

- Q.5 (a)** When an individual applies for the consumer credit from any financial institute, what are the criteria a creditor look for the creditworthiness of the consumer. **07**

- (b)** Mr. Shah has recently purchased a Car for household purpose and wants to have his automobile insurance policy. What are the main coverages available under good automobile insurance policy? **07**

OR

- Q.5 (a)** Explain Tax Planning and its importance. **07**
- (b)** Use the following items to prepare a balance sheet and a cash flow statement. **07**
Determine the total assets, total liabilities, net worth, total cash inflows, and total cash outflows.

Rent for the month, Rs.650	Monthly take-home salary, Rs.1,950
Cash in checking account, Rs.450	Savings account balance, Rs.1,890
Spending for food, Rs.345	Balance of educational loan, Rs.2,160
Current value of automobile, Rs.7,800	Telephone bill paid for month, Rs.65
Credit card balance, Rs.235	Loan payment, Rs.80
Auto insurance, Rs.230	Household possessions, Rs.3,400
Stereo equipment, Rs.2,350	Payment for electricity, Rs.90
Lunches/parking at work, Rs.180	Donations to church, Rs.70
Home computer, Rs.1,500	Value of stock investment, Rs.860
Clothing purchase, Rs.110	Restaurant spending, Rs.130
