

# School of Business

Department of Business

Mid Term Examination

Exam Date: 30 Sep 2023

Time : 90 Minutes

Marks : 50

## Sem IX - MBFI6014 - Wealth Management and Taxation

*Your answer should be specific to the question asked*

*Draw neat labeled diagrams wherever necessary*

- 1) How do the concepts of Time Value of Money influence financial decision making? K2 (2)
- 2) What are the principles of communication in the context of wealth management? K1 (3)
- 3) Describe the need for Wealth Management and Financial Planning. K2 (4)
- 4) Alex sells a stock for a capital gain of \$8,000. If his tax rate on capital gains is 15%, how much capital gains tax does he need to pay? K2 (6)
- 5) Calculate the future value of an investment using the Time Value of Money concepts. K3 (6)
- 6) Create a tax planning strategy for a business owner to minimize tax liabilities. K3 (9)
- 7) Evaluate the effectiveness of using various Time Value of Money techniques for investment decisions. K4 (8)
- 8) If David contributes \$6,000 annually to a tax-deferred retirement account and his tax rate is 25%, how much does he save on taxes each year? K4 (12)

**OR**

Analyze the role of the time value of money in making investment decisions with real-world examples. K4 (12)