INDIRA UNIVERSITY, PUNE

SCHOOL OF INFORMATION TECHNOLOGY- BCA / BSC AIML

Term End Examination (2025 Pattern) April- May – 2026- Semester – II

Course Name: Financial Literacy- I **Max. Marks: 25**
Course Code: 25SCEOE1 **Time: 1 Hr. 30 Minutes**

Instructions

- All the questions are compulsory

<table>
<tr>
<td>Q1.</td>
<td>Attempt any 5 out of 7. (1 Mark each) (5 Marks)

1. Define financial planning:
A. Random use of money
B. Systematic management of financial resources
C. Spending without budgeting
D. Borrowing money

2. Find the correct formula for Net Worth:
A. Assets + Liabilities
B. Assets – Liabilities
C. Income – Expenses
D. Savings + Investment

3. Label the type of debt that requires collateral:
A. Unsecured debt
B. Secured debt
C. Bad debt
D. Credit debt

4. Choose the correct example of unsecured debt:
A. Home loan
B. Vehicle loan
C. Credit card loan
D. Gold loan

5. Which factor affects insurance decision?
A. Age
B. Income
C. Health
D. All of the above

6. How can financial risk be transferred?
A. Saving
B. Budgeting
C. Insurance
D. Spending</td>
<td>CO 1</td>
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	7. **What does a cash flow statement show?** A. Profit only B. Assets only C. Cash inflows and outflows D. Liabilities only	
Q2.	**Attempt any 2 out of 4. (5 marks each) (10 Marks)** 1. Evaluate the effectiveness of insurance as a risk management tool. 2. Explain why financial planning is considered a continuous process. 3. Mark the differences between good debt and bad debt and evaluate their impact 4. Defend the statement that "present money is more valuable than future money."	CO 5
Q.3	**Attempt all questions (5 marks each) (10 Marks)** **a)** A student spends all part-time income. How will you discuss ways to improve saving habits? **b)** A household spends equally on needs and wants. How will you improve their spending pattern? **OR**	CO 6
Q.3	**Attempt all questions (5 marks each) (10 Marks)** **a)** Prepare a Personal Income & Expenditure Statement of Mr. Sameer for September 2026: Salary ₹45,000 Interest ₹3,000 Rent ₹12,000 Food ₹7,000 Electricity ₹2,000 Transport ₹3,500 **b)** Solve and prepare a Personal Balance Sheet of Ms. Anjali as on 31 March 2026: Cash ₹12,000 Bank ₹28,000 Fixed Deposit ₹50,000 Education loan ₹30,000 Credit dues ₹8,000 Laptop ₹35,000	CO 6

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