

P P SAVANI UNIVERSITY

Third Semester of MBA Examination

December 2022

SLMB8360 Wealth Management

22.12.2022, Thursday

Time: 09:00 a.m. To 11:30 a.m.

Maximum Marks: 60

Instructions:

1. The question paper comprises of two sections.
2. Section I and II must be attempted in separate answer sheets.
3. Make suitable assumptions and draw neat figures wherever required.
4. Use of scientific calculator is not allowed.

SECTION - I

Q - 1	Answer the following :	[05]	CO	BTL
(i)	What is MCX ?		1	2
(ii)	Which are the major players in Securities market ?		1	2
(iii)	Who governs Foreign Exchange Market ?		4	2
(iv)	What is the difference between Bonus and Right issue ?		4	2
(v)	What is the role of exchange ?		4	2
Q - 2	What are the different avenues of Wealth Creation ? Briefly explain each along with its sources of Income.	[10]	2	3

OR

Q - 2	Answer the following relates to Corporate Actions : Stock Split Buy Back of Shares Mergers and Acquisitions	[10]	2	4
Q - 3	Mr. Estate is very much desirous of Investing in Real Estate. But he doesn't want to take large exposure. He also allocated very small amount for investing in Real estate. He is planning to do that by REIT. Advise him along with benefit of Investing through REIT.	[10]	3	5

OR

Q - 3	What is Asset allocation ? How does it help in Financial Planning.	[10]	2	3
Q - 4	Attempt any one.	[05]		
(i)	Money Market		4	2
(ii)	Estate planning		4	2

SECTION - II

Q - 1	Answer the following questions.	[05]		
(i)	What is Ransom Insurance		4	2
(ii)	List out the factors affecting Life Insurance Premium.		4	2
(iii)	What is rider in Insurance ?		4	2
(iv)	Name few Virtual Financial Assets.		4	2
(v)	How to avoid capital gain tax ?		4	3
Q - 2 (a)	Exactly ten years from now Sri Chand will start receiving a pension of ₹ 3,000 a year. The payment will continue for sixteen years. How much is the pension worth now, if Sri Chand's interest rate is 10 per cent?	[05]	3	5
Q - 2 (b)	Mr. Alturo will get a gratuity of ₹ 35,00,000 after 10 years from now on his retirement. His employer has offered to pay him ₹ 350,000 per year for 10 years. If his rate of return is 10 per cent per annum, should he accept the offer?	[05]	3	5

OR

Q - 2 Rani requires a monthly income of Rs.35000 by today's value for her retirement 25 years away at the age of 60. She expects to live up to 80 years. What is the retirement corpus required if the banks deposit into which she will invest her retirement savings is likely to yield 8% and the rate of inflation is 6%? **[10] 3 5**

Q - 3 Mr. Kamath is drawing income from the following sources : **[10] 2 6**

Primary income from Salaries	₹ 36,00,000
Business Income	₹ 21,00,000
Income from House Property	₹ 50,000
Long term Capital Gain	₹ 6,60,000
Capital gain from Crypto	₹ 1,10,000

Assuming above incomes are computed one, find out the tax liability of Mr. Kamath. Is there a way to reduce tax liability of Mr. Kamath? Advice.

OR

Q - 3 Following are the Income details available for Miss Z : **[10] 2 6**

Business Income	48,00,000
Income from Commercial Property	18,00,000
Short term Capital Gain	70,000
Interest from deposits	7,800

Surcharge for Corporates :

Income upto 1 Crore	Nil
From 1 Crore to 10 Crore	7%

Surcharge for Individuals :

Income upto 50 lakhs	Nil
Income from 50 lakhs to 1 Crore	10%

All incomes are commuted. Miss Z is puzzled whether she should form a corporate entity or not. Advise her.

Q - 4 Attempt any one. **[05]**

- (i)** Types of Life Insurance **3 2**
(ii) Estate Planning **3 2**

CO : Course Outcome Number

BTL : Blooms Taxonomy Level

Level of Bloom's Revised Taxonomy in Assessment

1: Remember	2: Understand	3: Apply
4: Analyze	5: Evaluate	6: Create