

P P SAVANI UNIVERSITY

Third Semester of B.Com Examination

November 2022

SMBC2132 Wealth Management 3

23.11.2022, Wednesday

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 allowed.

SECTION - I

Q - 1	Answer the following (Any five)	[05]	CO	BTL
(i)	What is mutual fund ?		1	1
(ii)	Who governs Mutual Fund ?		1	1
(iii)	What is AMFI ?		1	1
(iv)	What is NAV ?		1	2
(v)	Between life insurance and medical insurance - what should be taken first ?		1	1
(vi)	How do Insurance industry work ?		1	2
(vii)	Who governs Insurance ?		1	1
Q - 2	Briefly explain advantages of investing in mutual funds.	[10]	1	1

OR

Q - 2	Orange purchased 200 units of Oxygen Mutual Fund at ₹ 45 per unit on 31 st December, 2009. In 2010, he received ₹ 1.00 as dividend per unit and a capital gains distribution of ₹ 2 per unit. Required: (i) Calculate the return for the period of one year assuming that the NAV as on 31 st December 2010 was ₹ 48 per unit. (ii) Calculate the return for the period of one year assuming that the NAV as on 31 st December 2010 was ₹ 48 per unit and all dividends and capital gains distributions have been reinvested at an average price of ₹ 46.00 per unit. (Ignore taxation).	[10]	3	5
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Q - 3	Briefly explain various steps involved in Insurance planning.	[10]	1	3
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OR

Q - 3	Discuss various elements of Life Insurance Products.	[10]	1	2
Q - 4	Attempt any one :	[05]		
(i)	Term Insurance		2	2
(ii)	Open ended and close ended scheme of Mutual Fund		1	2

SECTION - II

Q - 1	Answer the following questions.	[05]		
(i)	What is REIT ?		1	1
(ii)	Who governs the investments in REIT ?		1	1
(iii)	Equity is riskier than Real Estate Investment - True or False ?		1	2
(iv)	What does Hedge Fund Manager do ?		1	2
(v)	IPO		1	2
Q - 2	Mr. Real believes investment in Real Estate is very difficult. Do you agree with him ? In light of that, explain the real challenges of investing in Real Estate.	[10]	3	5

OR

Q - 2	Miss O'neal wants to buy a residential house. What checks should she make while buying the house ? Elaborate.	[10]	2	5
Q - 3	Differentiate between Investor and Speculator	[10]	1	1
OR				
Q - 3	Briefly describe the Structure of the Indian Securities Market.	[10]	1	2
Q - 4	Attempt any one :	[05]		
(i)	It is better to lease a house than buy – elaborate.		2	4
(ii)	Role of Exchanges in Equity Market		1	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