

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306

POST GRADUATE DIPLOMA IN MANAGEMENT (2022-24)
END TERM EXAMINATION (TERM - III)

Subject Name: **Personal Wealth Management**

Time: **02.00 hrs**

Sub. Code: **PGF31**

Max Marks: **40**

Note:

All questions are compulsory. Section A carries 5 marks: 5 questions of 1 mark each, Section B carries 21 marks having 3 questions (with internal choice question in each) of 7 marks each and Section C carries 14 marks one Case Study having 2 questions of 7 marks each.

Kindly write the all the course outcomes as per your TLEP in the box given below:

<p>CO1- Remember the concepts of Financial Planning and also able to understand the various concepts in detail.</p> <p>CO2- Establish the relationship between Risk Profile and Asset Allocation for wealth management effectively.</p> <p>CO3- Apply the concepts of efficient tax planning, succession planning and Asset Allocation.</p> <p>CO4- To analyze and evaluate different strategies of Personal Wealth Management for an Individual's Financial planning.</p>
--

SECTION - A

Attempt all questions. All questions are compulsory.

1×5 = 5 Marks

Questions	CO	Bloom's Level
<p>Q. 1: (A). Discuss the advantages of Systematic Investment Plan during the process of investing.</p> <p>Q. 1: (B). Differentiate income and Growth Assets in financial planning.</p> <p>Q. 1: (C). Decode the Financial Blood Test Report.</p> <p>Q. 1: (D). Differentiate between Sharpe's and Treynor's ratio.</p> <p>Q. 1: (E). Differentiate between estate and asset in light of succession planning.</p>	CO1	L1 L2

SECTION – B

All questions are compulsory (Each question have an internal choice. Attempt any one (either A or B) from the internal choice)

7 x 3 = 21

Marks

Questions	CO	Bloom's Level
<p>Q. 2: (A). "Tax Planning is a crucial area while doing Financial Planning". Critically analyze the statement for insurance and Direct Equity Asset Class.</p> <p style="text-align: center;">Or</p> <p>Q. 2: (B). Evaluate the importance of below in succession planning:</p> <p>i) Will (1 mark)</p> <p>ii) Trustee, Testator, executor and guardian in will planning (4 marks)</p> <p>iii) Discuss class I heir and their share for a Hindu male (2 Marks)</p>	CO3	L4
<p>Q. 3: (A).i) Vimal wants to go abroad on a family vacation tour. A tour operator is offering him a package in which he has to pay only Rs. 10,000 which is 11% upfront amount, while the remaining amount is to be repaid in 48</p>	CO2	L3

<p>EMIs of Rs. 5,500 each, first EMI payable after one month. He wants to know the monthly rate of interest which he may incur in subscribing to this offer.</p> <p>ii) Present Age of Daughter is 18 and Age when Daughter gets married is 25. Cost of marriage is 20 lakh. escalation of marriage expenses is 6% p.a. suggest if A invests in Aggressive fund with return 11% p.a what amount is required to be invested annually?</p> <p style="text-align: center;">Or</p> <p>Q. 3: (B). Mr. Singh is earning Rs. 150000 per month and have a monthly expense of Rs. 50000. He has a term plan worth 20 lakh and no other life or non life insurance. He has Rs. 200000 in his savings account. Mr. Singh has a daughter, who is the only member of his family. He has a fixed deposit of Rs. 500000 from which he wants to afford his daughter's higher education expense after 5 years. (Assume Education expense inflate at 8%) As a financial planner what is your observation regarding the financial planning Mr. Singh has made.</p> <p>Q. 4: (A). What are various stages of wealth cycle. Apply the concept on 25 years old Hindu male.</p> <p style="text-align: center;">Or</p> <p>Q. 4: (B). What do you understand with the loss aversion tendency of investors? Explain the same in light of Prospect Theory</p>	<p>CO2</p> <p>CO2</p> <p>CO2</p>	<p>L2</p> <p>L3</p> <p>L2</p>
<p><u>SECTION – C</u></p> <p>Read the case and answer the questions 7×02 = 14 Marks</p>		
<p>Questions</p>	<p>CO</p>	<p>Bloom's Level</p>
<p>Q. 5: Case Study: During wedding of my cousin last year, I got an opportunity to interact with her uncle, Mr. Devendra Rohella. Mr. Rohella is a businessman in Chandigarh and leads a pompous life. His monthly family expense is Rs. 300000/-. Also, he shared with me proudly that they are planning marriage of their daughter after 3 years in Singapore and estimated expense is 10 crore. Also during the conversation, he shared that he has a passion for gold and has a gold of worth 2 Crore. He goes for vacation to a foreign destination every year. During the conversation I got to know, that he is earning really well from his business and annual income is 24 crore. I thought, what a lucky man!! I wanted to converse more... but we were called for dinner.. Recently I visited my cousin on her marriage anniversary and was shocked to know about the sad demise of Mr. Rohella. Even more heartbreaking to know was that his brother has treated the widow badly and she was forced to leave the house. His widow Mrs. Rohella, who had always lead a lavish life was not aware about business and financial transactions of the deceased. I felt bad about her situation and also found myself guilty, because being a financial advisor, I did not enquire further and couldn't guide him on some financial aspects. I recalled the concepts of Finance, but regret not to apply in real life.</p> <p>Questions: Q. 5: (A). What are major observations/Findings in Mr. Rohella's Financial planning? (min. two recommendations)</p>	<p>CO4</p>	<p>L5</p>

Q. 5: (B). What are the recommendations you would have given to Mr. Rohella, using the concepts of financial planning. (min. two recommendations)	CO4	L6

Kindly fill the total marks allocated to each CO's in the table below:

COs	Marks Allocated
CO1	5 Marks
CO2	14 Marks
CO3	7 Marks
CO4	14 Marks

(Please ensure the conformity of the CO wise marks allocation as per your TLEP.)

Blooms Taxonomy Levels given below for your ready reference:

L1= Remembering

L2= Understanding

L3= Apply

L4= Analyze

L5= Evaluate

L6= Create