



**INTERNATIONAL MANAGEMENT INSTITUTE, BHUBANESWAR  
POST GRADUATE DIPLOMA IN MANAGEMENT  
WEALTH MANAGEMENT AND PERSONAL FINANCE (FN634)**

CREDIT: 1.5 credits

SESSION DURATION: 60 Minutes

TERM: V

YEAR: 2018-

19 Batch: II (PGDM 2017-19)

**Faculty :** Dr. Sushil Kalyani

**Telephone:** 9251412266

**E-Mail:** kalyani.sushil@gmail.com

**Office hours:** 9:30 AM to 5:30 PM

**Consulting hours:**

The students can meet the Course-in-charge on matters related to the course being taught on all days he is available on campus after taking prior appointment through email. Instead of personal meetings, they can also request responses only through emails. Phone calls should be avoided except in cases of emergency. Course-in-charge will try to respond to the best of his ability.

**Course Introduction:** This course focuses on the fundamental issues of personal financial planning. Student is required to build upon the knowledge gained in the other courses and incorporate all aspects of personal finance for developing a comprehensive financial plan. The course covers the various steps involved in collecting and evaluating client data, developing, recommending & executing strategies suitable for the clients and monitoring & review of financial plans. This course introduces the students to the nuances of various investment avenues, life cycle of investors, their objectives and asset allocation.

**Learning Outcomes**

- LO1 Gaining an in-depth understanding of the financial needs of Indian customers such as those related to education, marriage, housing, purchase of vehicles and household goods, vacations, medical treatments, post retirement & estate planning
- LO2 Gaining in-depth knowledge of different financial products and associated risks profile
- LO3 Knowledge of short-term and long-term investment strategies for customers
- LO4 Gaining in-depth knowledge of insurance products- both life & general insurance products
- LO5 Understanding of complex wealth management issues and their solutions and the investment options relevant to these issues
- LO6 Understanding of Mutual Funds Industry, the products offered by MFs and the suitability according to needs.
- LO7 Investment in Gold, the issues and benefits on investment in Gold
- LO8 Real Estate Investment Planning, benefits and legal issues involved in estate planning
- LO9 Understanding the alternate asset class, types of products and their features

LO10 Ability to prepare appropriate plans to meet financial goals of the customer and recommending suitable investment options

LO11 Knowledge of Indian taxation system and ability to suggest tax management solutions for creating wealth

**Course Pedagogy:** The course will be delivered in classrooms and constitute a mix of lectures supported by power-point presentations, videos, cases/ articles & activities.

**Recommended Book:**

1. Dunn & Bradstreet. Wealth Management, Finance essentials series. New Delhi: Tata McGraw Hill Publications, 2010.
2. Kapoor Jack. R., Dlabay L R., Huges R J. "Personal finance." New Delhi: Tata McGraw Hill Publications, 2008.

**Reference Books:**

1. **Financial Planning:** Theory and Practice, Sid Mittra, Sage Texts, Indian Edition
2. Financial Planning : A Ready Reckoner, Madhu Sinha, McGraw Hill, 1st Edition

Articles & Reports:

1. Financial-services-September-2017
2. Karvy's\_India\_Wealth\_Report\_2017
3. Asia-Pacific Wealth Report 2017
4. World Wealth Report 2018
5. World Insurance Report\_2018

**Web-links:**

1. <http://www.fpsbindia.org/scripts/LearnFinancialPlanningBasics.aspx>
2. Magic of compounding (<http://www.moneycontrol.com/personal-finance/tools/magic-of-compounding-tool.html>)
3. <http://financialplan.about.com/>
4. <http://www.financial-planning.com/high-net-worth/>
5. [http://www.moneycontrol.com/news/mf-experts/mutual-funds-strategies-for-high-networth-individuals\\_958323.html](http://www.moneycontrol.com/news/mf-experts/mutual-funds-strategies-for-high-networth-individuals_958323.html)
6. <http://www.investmentnews.com/article/20130424/FREE/130429971/to-attract-high-net-worth-clients-offer-more-than-financial-planning>
7. <http://www.investopedia.com/articles/basics/09/precious-metals-gold-silver-platinum.asp>
8. 10 Ways to plan for your retirement ([http://www.dol.gov/ebsa/publications/10\\_ways\\_to\\_prepare.html](http://www.dol.gov/ebsa/publications/10_ways_to_prepare.html))
9. How to plan for a successful retirement (<http://www.theminimalists.com/retirement/>)
10. A basic retirement planner calculator (<http://www.moneycontrol.com/personal-finance/tools/retirement-planning-calculator.html>)
11. <http://executiveeducation.wharton.upenn.edu/thought-leadership/wharton-at-work/2014/04/high-net-worth-clients>

**Course Evaluation criteria:**

<b>Evaluation Scheme</b>	Surprise Quizzes	20%
	Assignment	20%
	Project	20%
	End Term Exam	40%

**Description of evaluation components:**

1. Surprise Quiz: Each quiz will contain MCQs, fill in the blanks and/ or short questions. Each quiz would be based on pre-readings and course covered till the latest session. The time limit for each quiz will be 5-10 minutes. The quizzes will be conducted in the class without making any prior announcement. Any student who misses any of the quizzes for any reason whatsoever would not be granted any make-up.
2. Assignment: Individual student shall help a prospective client in planning. A report shall be submitted on completion of the task as a part of the assignment.
3. Project (Group activity): This project will be conducted in groups of students. The group will seek appointment with five prospective clients and prepare individual financial plans for each of them. The group will gather information about financial status (income, assets, liabilities), financial status of close relatives and assess the risk appetite of the clients.
4. Comprehensive End Term Exam: The end-term examination will be in pen & paper mode with duration of 2-3 hours. The paper will consist of questions aimed at testing the ability to apply conceptual knowledge in real life situations. These may include case-based questions. The purpose of this component is to assess the ability of the student to apply the concepts learned in the course to practical applications. The answer to the questions should be relevant to the context, should reflect the understanding of the student and the ability of the student to apply the knowledge to practical issues.

**Session Plan:**

<b>Session No.</b>	<b>Date</b>	<b>Topics</b>	<b>Learning Outcomes</b>	<b>Pedagogy</b>	<b>Pre readings/ Case Study</b>
1		Introduction to financial planning; Introduction to types of financial products & various investment options	LO1	Lecture & Presentations	Financial-services-September-2017 and Karvy's_India_Wealth_Report_2017
2		Introduction to financial planning; Different asset classes and their risk-return profile	LO1, LO2	Lecture	Notes
3		Financial planning and Wealth Management Industry – Major Players and their roles	LO1, LO2	Lecture	World Wealth Report 2018
4		Stage by stage analysis of financial needs - Personal Life cycle analysis and identification of investment need	LO1, LO2	Lecture, Exercise	Notes
5		Understanding the client demographics: Gathering initial information, understanding risk appetite of customers	LO2, LO3	Lecture, case	Notes
6		Role of Insurance - Risk mitigation through insurance, introduction to various types of risks, Concept of Insurable risk, various Insurance	LO4	Lecture	World Insurance Report_2018

		products as financial tool – Life, Non-life Insurance Products			
7		Investment Products and their markets, Fixed Income Investments vs. Variable Income Investment options.	LO5	Lecture	Notes
8		Mutual Funds as an Asset class – Introduction, Structure of mutual funds in India.	LO6	Lecture, Report on MFs	“understanding_mutualfunds” – A report
9		Types of Mutual funds and their appropriateness	LO6	Lecture	“understanding_mutualfunds” – A report
10		Alternate Asset Classes- Gold as an asset, investing in Gold in India, Real Estate as an asset, Means & Challenges in investing in Real Estate.	LO7, LO8	Lecture	Notes
11		Alternate Asset Classes- Private Equity, Venture Capital, Structured Notes, Quant funds and Offshore opportunities.	LO9	Lecture	Notes
12		Investment Planning Strategies – Investment Planning Process, Key Investment Planning Strategies	LO10	Lecture, Exercise	Case
13		Asset Allocation and Strategies - Asset allocation decision from investor’s perspective, Active vs. Passive strategies.	LO10	Lecture, Exercise	Notes
14		Strategic asset allocation- constant weighting, tactical, dynamic, insured asset allocation, integrated asset allocation.	LO10	Lecture, Exercise	Notes
15		Tax Planning – The Basic Tax Structure, Benefits of Investment in terms of tax savings, Planning of investments to maximise tax benefits	LO11	Lecture, Exercise	Notes