

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

**POST GRADUATE DIPLOMA IN MANAGEMENT (2023-25)**  
**END TERM EXAMINATION (TERM - IV)**

Subject Name: Wealth and Portfolio Management  
Sub. Code: PGF-43

Time: **02.30 hrs**  
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 questions in each) of 7 marks each, and Section C carries 14 marks, one Case Study, having 2 questions of 7 marks each.**

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

- |   |
|---|
| <p><b>CO1-</b> To understand and apply concepts of Financial Planning and portfolio management<br/> <b>CO2-</b> To apply the concept of Risk and Asset Allocation for wealth management effectively.<br/> <b>CO3-</b> To study and evaluate a financial plan using the concepts of tax and succession planning.<br/> <b>CO4-</b> To analyze and evaluate different strategies of portfolio management in wealth creation.</p> |
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**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 Rupee Cost Averaging during the process of investing.            Q. 1: (B). Differentiate Goal Based and Comprehensive financial planning.            Q. 1: (C). Decode the Financial Blood Test Report.            Q. 1: (D). Differentiate between Constant Rupee and Constant Ratio Plan.            Q. 1: (E). Differentiate between estate and asset in light of succession planning.</p>	CO2	L3 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><b>Q. 2: (A).</b> Critically analyze Union Budget 2024-25: Key Tax Reforms and Relief Measures.</p> <p style="text-align: center;"><b>Or</b></p> <p><b>Q. 2: (B).</b> Evaluate the New and Old tax regime in below scenario:            i) Situation 1: If your Income is below ₹ 7 lakh or Up to 7 lakh in a FY 2023-24            ii) Situation 4: If your Income other than salary is 9 lakhs in a FY 2023-24, and have deductions under Section 80C-1.5 lacs and 80D- 25000</p>	CO3	L4
<p><b>Q. 3: (A).</b> “Understanding Investor’s behavior is becoming a better investor”. Apply the concepts of Behavioral Finance to comment on the above statement.</p> <p style="text-align: center;"><b>Or</b></p>	CO1	L3

<p><b>Q. 3: (B).</b> Dr. Singh is earning Rs. 120000 per month and has a monthly expense of Rs. 50000. He has a term plan worth 50 lakh and Mediclaim. For both the above plans he pays Rs. 15000 premium annually. He is an informed investor who invests Rs. 200000 per annum in equity mutual funds, generating him 15% CAGR. He has Rs. 20000 in his savings account. Dr. Singh has a daughter, who is planning to take admission in B.Tech after 5 years. During a conversation with Dr. Singh, he intended to pay the education expense of his daughter by redeeming mutual funds. (Assume Education expense inflate at 8%) As a financial planner, what is your observation regarding financial planning Dr. Singh by applying the mathematics of investing?</p>	CO1	L2																		
<p><b>Q. 4: (A).</b> What are the various instruments of succession planning? Discuss the essential features of each in the Indian Scenario.</p>	CO1	L3																		
<b>Or</b>																				
<p><b>Q. 4: (B).</b> Vineetha Sharma the widow of Rakesh Sharma was asked to leave the house which Rakesh had built after their marriage. Vineetha's in laws consider her and her two daughters an outsider to the family. You being a jogging partner and a final year student with Finance specialization during your PGDM wants to help her. What will be your action by applying the Indian Succession Law.</p>	CO1	L2																		
<p><b><u>SECTION – C</u></b></p> <p>Read the case and answer the questions <span style="float: right;"><b>7×02 = 14 Marks</b></span></p>																				
<b>Questions</b>	<b>CO</b>	<b>Bloom's Level</b>																		
<p>Q. 5: Case Study:</p> <p>Ben being a finance enthusiast, was reading a report about Alpha and Beta Scripts. The rate of return and the possibilities of their occurrence for Alpha Company and Beta Company scripts are given below:</p> <table border="1" data-bbox="167 1279 1193 1547"> <thead> <tr> <th>Probability of Occurrence</th> <th>Return on Alpha's Script</th> <th>Return on Beta's Script</th> </tr> </thead> <tbody> <tr> <td>0.05</td> <td>-2.0</td> <td>-3.0</td> </tr> <tr> <td>0.20</td> <td>9.0</td> <td>6.0</td> </tr> <tr> <td>0.50</td> <td>12.0</td> <td>11.0</td> </tr> <tr> <td>0.20</td> <td>15.0</td> <td>14.0</td> </tr> <tr> <td>0.05</td> <td>26.0</td> <td>19.0</td> </tr> </tbody> </table> <p>Questions:</p> <p><b>Q. 5: (A).</b> What are the expected rates of return for both the scripts. If the proportion of both the scripts is same in the portfolio, what would be the portfolio's return</p> <p><b>Q. 5: (B).</b> If the proportion is changed to 25% and 75% respectively for Alpha and Beta Script, then later inversed, what will be revised returns of portfolio. Also critically analyze the efficiency of each portfolio out of the three combinations, based up on the Markowitz Optimal Portfolio.</p>	Probability of Occurrence	Return on Alpha's Script	Return on Beta's Script	0.05	-2.0	-3.0	0.20	9.0	6.0	0.50	12.0	11.0	0.20	15.0	14.0	0.05	26.0	19.0	CO4	L5
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	CO4	L6																		

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

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

CO4	14 Marks
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**(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**