

Rukmini Devi Institute of Advanced Studies

Madhuban Chowk, Rohini, Delhi-110085

(Approved By AICTE & Affiliated With GGSIP University)

DOSSIER

On

Guest Lecture

On

“Wealth Management – Basics & Strategies”

On

March 9, 2016



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FORM A

Proposal:

- **Name of the event to be organized:** Guest Lecture on “*Wealth Management – Basics & Strategies*”
- **Date:** March 9, 2016
- **Time:** 12.00 pm to 2:00 pm
- **Venue:** Lecture Theatre, RDIAS
- **Motivation for the activity:** The motive behind holding this session was to explain the students about the scope of different techniques of wealth management used by the investors with the help of their financial advisors and the various ways of investing different financial products with understanding of risk-return tradeoff.
- **Organized by:** MBA & BBA Department
- **Resource Person:** Mr. Ravi Sharma, Financial Advisor, Velocity Financial Systems

FORM B

Part 1

Aim of the event:

The objective of this lecture was to make the students aware about the financial or investment concepts, accounting services, retirement plans and legal planning. Wealth is when small investment produces big results. How you live tomorrow depends on how you invest today. So this lecture was very essential to understand the importance of wealth management. It is the most important and noticeable part for students to invest today in different investment plans, therefore, students as the future financial managers should be well aware of all the relevant practices in the aforesaid field.

Part 2

Abstract:

Health & Wealth:

Health is physical well-being of the body and wealth means sincere management of funds and advice for investment.

The students were advised for some dos and don'ts in the beginning of the session conducted by Mr. Ravi Sharma, then he briefed about the importance of wealth management as a financial tool for the investment purpose and its relevance to the students. He highlighted what health and wealth means. The speaker also explained how one can invest in commercial products like shares, debentures and bonds and assure their investment.

First thing the speaker briefed the students about the profile of the customer/investor.

They are following types:

1) Wealth Guard-

In this aspect the financial advisor identifies the need of the investor by age factor.

For ex.-

Young age – Aggressive products

Old age – Stable products

2) Wealth Keeper-

The investor invests in stable financial products for ex. Bonds, Debt, and mutual funds but not in equity (doesn't need fluctuations).

3) Wealth Builder –

They prefer allocation of equity / mutual funds.

4) Wealth Enhancer-

They look for more return in portfolio.

5) Wealth Multiplier-

These investors are most aggressive investors. They prefer investing in equities and other risky financial instruments. 1% return – 100% multiply

The following are the various solutions of Wealth Management:

- Mutual Funds:

This is a combination of shares and debentures for investment.

Wealth management is very straightforward. From the affluent individual's perspective, wealth management is simply the science of solving/enhancing his or her financial situation. From the financial advisor's perspective, wealth management is the ability of an advisor or advisory team to deliver a full range of financial services and products to an affluent client in a consultative way.

Theoretically, a wealth manager can provide every single financial product in existence. In reality most wealth managers specialize in services and products they feel most comfortable with.

Wealth management combines both financial planning and specialized financial services, including personal retail banking services, estate planning, legal and tax advice, and investment management services.

The goal of wealth management is to sustain and grow long-term wealth. The net worth needed to qualify for wealth management services vary among institutions, but the net worth threshold typically starts at about \$20 million. Also, depending on the institution, the range of services available is highly customizable in order to meet the specific needs of the client.

Wealth management clients are highly sought after by financial institutions and financial service companies. Many banks that combine traditional banking and wealth management services have specialized sales and service teams to specifically cater to wealth management clients.

As Warren Buffet said, “timing is not important, the time in the market you have stayed is important”.

- Direct Equity:

Direct equity investment can be very rewarding. Simultaneously this is also true that risk of loss in direct equity is high. People who can balance risk and return while dealing with direct equity are the winners.

- Bonds:

Bonds are commonly referred to as fixed-income securities and are one of the three main generic asset classes, along with stocks (equities) and cash equivalents. Many corporate and government bonds are publicly traded on exchanges, while others are traded only over-the-counter (OTC).

- Insurance:

Insurance is a contract (policy) in which an individual or entity receives financial protection or reimbursement against losses from an insurance company. The company pools clients' risks to make payments more affordable for the insured.

- Portfolio management services:

PMS' closest competition is mutual funds. Both differ in terms of working, fee, Sebi regulations and risk-reward profile. While the main aim of PMS is offering customised services, many brokerages offer investors the choice of different model portfolios. "In this, the service providers have different model portfolios such as large-cap and mid-cap.

- Alternate Investment Funds:

In this kind of fund only HNI's invest.

- Real Estate

Buying real estate is about more than just finding a place to call home. Investing in real estate has become increasingly popular over the last 50 years and has become a common investment vehicle. Although the real estate market has plenty of opportunities for making big gains, buying and owning real estate is a lot more complicated than investing in stocks and bonds.

Asset Allocation Strategy:

- 1) Strategic Asset Allocation
- 2) Tactical Asset Allocation

Part 3

Conclusion

The lecture was certainly educational and interactive where various types of strategies were discussed by the guest speaker to make students aware about the management of the wealth. Wealth management is becoming more prevalent and more important, so the speaker explained about the concepts of management and importance of wealth for students. Students also learned how can they can structure their investment and how does it performs to increase the consumer's wealth. With the help of management of wealth examples, a better understanding and framework was provided to students and the session was concluded by giving some industry insights about taking investments in different horizons as a career. Students participated with full enthusiasm and spirit; and it was indeed an informative, interactive and educational session.

Session Moments



Mr. Ravi Sharma being welcomed by Respected Director General, RDIAS..!!



Director General addressing the audience..!!



Mr. Ravi Sharma addressing the Students and faculty..!!



Students and faculty listening to the speaker..!!



Respected Director General, RDIAS presenting token of appreciation to the Guest Speaker..!!