

**NAME OF THE COURSE: FINANCIAL EDUCATION AND INVESTMENT AWARENESS**

**Course Credits: 02      No. of Hours per week: 03      Total no. of Teaching Hours: 45 hrs**

**COURSE OBJECTIVES:**

- Develop financial planning skills
- Evaluate mutual funds and other investment products
- Apply critical thinking and problem-solving skills
- Demonstrate awareness of investor protection and rights

**LEARNING OUTCOMES:**

- Understand the basic concepts of finance and investment
- Analyze the various investment avenues available
- Evaluate the benefits and limitations of mutual funds
- Apply financial planning and investment principles to real-life scenarios

**Module 1: Foundations for Finance**

**15 hours**

**Introduction to Basic Concepts of Finance:** Money and its need, Meaning and need for Financial Planning; Life goals and financial goals of an individual; Format of a sample financial plan for a young adult.

**Time value of Money:** Meaning, need, Concepts of Compounding Simple and compound interest and Discounting- Present value of single cash inflow, series of cash inflow, annuity, perpetuity- problems.

**Valuation of Securities:** Meaning, need for valuation of securities, Valuation of fixed income securities- debentures and preference shares, valuation of equity shares, dividend capitalization approach and earnings capitalization approach-problems.

**Module 2: Investment Avenues**

**18 hours**

**Introduction to Investment:** Meaning, Need, Essentials of investment, Investment and speculation, Basic investment objectives, Diversification- Need for diversification,

**Investment Avenues for a Common Investor:** Bank deposits; Corporate Securities-Equity shares, Preference shares, debentures, bonds, company deposits; Post Office savings schemes, Government securities, Real Estate, Gold and Bullion, Chit and Nidhi Companies, Life Insurance, Retirement and Pension Plans - National Pension System, Atal Pension Yojana etc. (Features if all Investment Avenues with Income Tax benefits); Risk and return relationship (Theory only).

**Stock Markets:** Primary Market and Secondary Market, Stock Exchanges, Stock Exchange Operations - Trading and Settlement, DEMAT Account, Depository and Depository Participants; Investor Protection.

### **Module 3: Mutual Funds**

**12 Hours**

**Mutual Funds:** Meaning and Features of Mutual Funds, History of Mutual Funds in India, Benefits, and drawbacks of investment in mutual fund; Major Fund Houses in India and Types of Mutual Fund Schemes and plans; SIP, STP, SWP of mutual fund; Net Asset Value-simple problems.

#### **Skill Development activities:**

1. Financial Goal Setting Exercise
2. Financial Plan Creation
3. Investment Portfolio Simulation
4. Mutual Fund Performance Analysis

#### **Reference Books:**

1. Author: Prasanna Chandra, Title of the Book: Financial Management, Publisher: McGraw Hill Education.
2. Author: Aswath Damodaran, , Title of the Book: Corporate Finance, Publisher: John Wiley & Sons Inc.
3. Author: Pitabas Mohanty, Title of the Book: Spreadsheet Skills for Finance Professionals, Publisher: Taxmann Publications.
4. Author: Fischer & Jordan, Title of the Book: Security Analysis & Portfolio Management, Publisher: Prentice Hall.