

Bachelor Degree Programme
(Mandatory Course for all the Undergraduate Programmes to be taught by
Commerce and Management Teachers)
Semester – III/IV
SEC - 2

Course Title: Financial Education and Investment Awareness	Course code: 21S2FE
Total Contact Hours: 28 Theory – 22 Practical – 12 (2 hours practical = 1 hour theory)	Course Credits: 2
Internal Assessment Marks: 20	Duration of SEE: 1 hour
Semester End Examination Marks: 30	

Pedagogy: Classroom Lectures, Tutorials, Group Discussion, Seminar, Case Studies, Field Work etc.

Objective: This course aims at creating general awareness on investment.

Course Outcomes: On successful completion of the course, the Students will be able to

- Narrate key concepts of financial decision making
- List out various savings and investment alternatives available for a common man
- Give a detailed overview of stock markets and stock selection
- Explain mutual funds and the criteria for selection

Unit	Description	Hours
1	<p>Foundations for Finance</p> <p>Introduction to Basic Concepts: Understand the need for financial planning – basic concepts – life goals and financial goals – format of a sample financial plan for a young adult, key concepts of financial decision making both micro and macro.</p> <p>Banking in India: Types of Bank Deposits, Deposit Insurance. Pradhan Mantri Jan Dhan Yojana (PMJDY), Traditional and New Banking Models. Debit and Credit Cards. Digital Payment System–Internet Banking (NEFT, RTGS and IMPS), Mobile Banking, Mobile Wallet, Aadhaar-Enabled Payment System (AEPS), Unified Payments Interface (UPI).</p> <p>Orientation to Financial Statements: financial terms and concepts, model for reading financial statements, basic ratios for evaluating companies while investing – Time Value of Money – Concept of Compounding and Discounting</p>	8
2	<p>Investment Management</p> <p>Investment Goals: Basic investment objectives – Investment goals – time frame – assessing risk profile – concept of diversification–risk measurement tools.</p> <p>Investment and Saving Alternatives for a Common Investor: Insurance – Health, Life and Other General Insurance (Health Insurance, Vehicle Insurance, Property Insurance, etc), Sukanya Samrudhi Yojana, Public Provident Fund, Retirement and Pension Plans – National Pension System, Atal Pension Yojana, Pradhan Mantri Shram Yogi Maan-dhan (PM-SYM) Yojana, Pradhan Mantri Laghu Vyapari Maan-dhan Yojana (PMLVMY), Pradhan Mantri Kisan Maan Dhan Yojana (PMKMDY), etc. Stocks, Bonds, Mutual Funds. Investor Protection and Grievance Redressal</p> <p>Stock Markets: Primary Market and Secondary Market, Stock Exchanges, Stock Exchange Operations – Trading and Settlement, Demat Account, Depository and Depository Participants.</p> <p>Stock Selection: Fundamental Analysis – Economy Analysis, Industry Analysis and Company Analysis. Technical Analysis – Graphical Patterns, Candle-Stick Patterns, Indicators and Oscillators</p>	7

	Stock Return and Risk: Analysing risk and returns tradeoff- relationship- investment risk	
3	<p>Mutual Funds and Financial Planning Essentials</p> <p>Mutual Funds: Features of Mutual Funds, Mutual Fund History in India, Major Fund Houses in India and Mutual Fund Schemes. Types of Mutual Fund Plans. Net Asset Value.</p> <p>Criteria for selection of Mutual Funds: Returns, Performance Measures – Sharpe, Treynor, Alpha, Beta and r^2</p> <p>Financial Planning: Sample formats – Integrating all the concepts learnt with a personal financial plan.</p> <p>Giving and supporting: Family support – charitable giving – crowd sourcing for needs</p>	
Practical		
	<p>Foundations for Finance</p> <ul style="list-style-type: none"> ▪ Spread sheet Modelling: <ul style="list-style-type: none"> • IF Function • SUM Function • AVERAGE Function • INDEX, MATCH and VLOOKUP Function • RANK Function • SUMPRODUCT Function • MAX & MIN Function • ERRORS in Modeling (#VALUE!, #NAME?, #DIV/0!, #REF!, #NUM!, #NA) • PRESENT VALUE Functions • FUTURE VALUE Functions • ANNUITY Functions • PERPETUITY Functions • Statistical Functions in Excel • Financial Statements in Excel 	4
	<p>Investment Management</p> <p>Administering Risk Tolerance Tool</p> <p>Group Presentations on Investment Alternatives (Advantages, Suitability and Limitations)</p> <ul style="list-style-type: none"> • Demonstration of Stock Trading • Economy Analysis (www.tradingeconomics.com) • Industry Analysis (www.ibef.org) • Company Analysis (www.valueresearchonline.com) • Spreadsheet Modelling for Stock Valuation (Dividend Discount Model, Free Cash Flow and Relative Valuation) • Demonstration of Technical Analysis and Exercises (NSE–TAME) • Spread sheet Modelling for calculating Stock Return, Risk and Beta 	4
	<p>Mutual Funds and Financial Planning Essentials</p> <ul style="list-style-type: none"> • Identification of Fund Houses in India, Schemes and Plans of each Mutual Fund House (www.amfiindia.in, www.valueresearchonline.com) • Exercises on Calculation of Net Asset Value • Demonstration of Mutual Fund Fact Sheet • Exercises on reading performance measures and selection of Mutual Funds • Preparation of Financial Plan 	4

References

Text Books

1. Prasanna Chandra. Financial Management. McGraw Hill Publications.
2. Aswath Damodaran. Corporate Finance. John Wiley & Sons Inc.
3. Pitabas Mohanty. Spreadsheet Skills for Finance Professionals. Taxmann Publications.
4. Fischer & Jordan. Security Analysis & Portfolio Management. Prentice Hall
5. Kevin S. Portfolio Management. PHI, New Delhi.
6. Gordon and Natarajan (2015), Financial Markets and Services, Himalaya Publishing House Pvt. Ltd, Mumbai
7. NSE Academy and Karnataka State Higher Education Council. Financial Education and Investment Awareness –Instructor Workbook. NSE Academy.

Reference Books

1. Clark T. and E Monk House, Rethinking the Company, Pitman, London.
2. Fernando A.C, Corporate Governance, Pearson Education.
3. Prentice D.D. and PRJ Holland, Contemporary Issues in Governance, Clarendon Press.
4. Report of the Cadbury Committee on Financial Aspects of Corporate Governance, London Stock Exchange, London.
5. Report on Corporate Governance, Confederation of India Industries, Bombay.

Note: Latest edition books are to be used.

Websites

1. www.sebi.gov.in
2. www.nseindia.com
3. www.amfiindia.com
4. <https://www.moneycontrol.com>
5. <https://finance.yahoo.com>

Business Dailies and Business News Channels

1. The Hindu Business Line
2. The Economic Times, etc
3. CNBC TV18
4. NDTV Profit
5. ZEE Business, etc.