

Financial Literacy for All (VOC-165)

Course Objective

To enable students to acquire essential knowledge and skills in personal financial management, including budgeting, saving, investing, and responsible use of credit, with a view to fostering financial independence, informed decision-making, and long-term financial well-being.

Target Students: Third Semester students of B.Com (Hons.), B.Sc., B.A.

Course Code – VOC-165

Course Outcomes (CO)

After successful completion of the course, students will be able to:

- **CO1:** Describe the fundamental concepts of financial literacy, financial planning, and personal finance in daily life.
- **CO2:** Demonstrate awareness of banking systems, digital payment mechanisms, and the role of financial institutions.
- **CO3:** Evaluate various investment avenues and financial products for informed decision-making.
- **CO4:** Recognize different types of financial frauds and understand consumer grievance redressal mechanisms.

UNIT 1: Foundations of Financial Literacy and Financial Planning (16 hours)

- 1.1 Understanding the Need for Financial Literacy
- 1.2 Financial Education, Financial Planning and Financial Well-being
- 1.3 Concept of Financial Planning
- 1.4 Core Concepts in Personal Finance
- 1.5 The Power of Compounding
- 1.6 Developing Financial Goals and principles of Investment
- 1.7 Concept of Risk and Return

UNIT 2: Navigating Banking and Digital Finance (14 hours)

- 2.1 Different Types of Bank Accounts
- 2.2 Opening a Bank Account and KYC Requirements in opening a bank account
- 2.3 Modern Day Banking and Payment Banks

- 2.4 Fund Transfer Mechanism in Banking
- 2.5 Safe Use of Digital Payments: Do's and Don'ts
- 2.6 Fintech, UPI and Understanding Credit and Debit Cards
- 2.7 Reserve Bank of India (RBI) and its functions

UNIT 3: Investment in various Financial Products

(25 hours)

- 3.1. Investment avenues offered by Securities Markets.
- 3.2. Types of Financial Markets
- 3.3. Operational aspects of securities markets
- 3.4. Various risks involved in investing in securities markets.
- 3.5 Investment in Bonds, Sovereign Gold Bonds and Gold
- 3.6 Mutual Funds, Types of Mutual funds, Systematic Investment Plan (SIP)
- 3.7 Role of Insurance and types of Insurance products and their key features.
- 3.8 Importance of Pension and its role in providing financial security in old age, NPS.
- 3.9 Key features of retirement planning.
- 3.10 Estate Planning and importance of nomination, will and PoA.

UNIT 4: Borrowing Related Products & Grievance Redressal Mechanism

(20 hours)

- 4.1 Concept of Credit
- 4.2 Credit Score Mechanism
- 4.3 Various Borrowing products and process followed by credit and finance firms.
- 4.4 Salient features of various Government Schemes.
- 4.5 Concept of Income Tax.
- 4.6 Ponzi schemes and their broad characteristics.
- 4.7 Various types of financial frauds
- 4.8 Grievance Redressal mechanism, Agencies and the category of complaints they try to resolve.

Suggested Readings and Resources:

1. **NCFE Financial Education Handbook** (Available at www.ncfe.org.in)
2. **SEBI Investor Education Resources** – <https://investor.sebi.gov.in>
3. **RBI Financial Literacy Guide** – <https://www.rbi.org.in>
4. Khan Academy Personal Finance videos – <https://www.khanacademy.org>
5. Investopedia – <https://www.investopedia.com>