

DEPARTMENT OF ECONOMICS
FOURTH SEMESTER
SEP Syllabus [2024 onwards]
ECONOMICS – COMPULSORY PRACTICAL /SKILL -1
INTRODUCTION TO FINANCIAL PLANNING

NO. OF CREDITS- 2

NO. OF HOURS- 30
[0+1 + 3 practical)

LEARNING OBJECTIVES

- To enable students to learn concepts and applications of financial planning.
- To help the students make financial plan and learn about institutions offering financial plans.

LEARNING OUTCOMES

- After the completion, the students will be able to
- Explain the significance of Financial Planning, and personal budget.
- Prepare a financial plan and budget.
- Plan and access financial services offered by Banks, post offices, insurance companies.

Unit 1: Introduction: Financial Planning and Budgeting (10 hours)

Balancing between economic wants and resources; the need for financial services; Meaning, importance and need for financial planning; Various financial institutions – banks, insurance companies, post offices, NBFIs; mobile app-based services.

Practical:

- Procedure for financial planning
- prepare a sample budget; Budget surplus and budget deficit, Personal budget, family budget, business budget.

Unit 2: Banking Services and Financial Services from India Post Office (10 hours)

Types of banks; Banking products and services - Various services offered by banks; deposit accounts - savings bank account, term deposit, current account, recurring deposit. Types of loans - education loan, consumer durable loan, vehicle loan, housing loan, bank overdraft, cash credit, mortgage.

Post office savings schemes: savings bank, recurring deposit, term deposit, monthly income scheme, kisan Vikas Patra, NSC, PPF, senior citizen savings scheme, Sukanya Samrddhi yojana; India Post payments bank.

Practical:

Visit to banks, post offices to collect information and services offered by them

- Requirements of opening a bank Account: pan card, address proof, KYC norm.
- interest rates offered by various nationalized banks; Cashless banking modern banking facilities: digital banking, CIBIL, ATM, net banking, RTGS, NEFT, IMPS, debit, and credit card, app-based payment system, bank draft and pay order; banking complaints.
- Post Office- money transfer: money order, e-money order, instant money order, international money transfer service.

Unit 3: Insurance Services and Introduction to Stock Markets (10 hours)

Life insurance policies: life insurance, term life insurance, endowment policies, pension policies, ULIP, health insurance plans. Basic concepts in stock markets: SENSEX, NIFTY, primary markets, secondary markets, initial public offering (IPO), DEMAT account, trading account, bull market; bear market.

Practical:

- Post office life insurance schemes: postal life insurance and rural postal life
- Comparison of policies offered by various life insurance companies
- Health insurances and property insurances
- Mutual funds and its various schemes.

References:

1. Batra, J.K., [2018]. Accounting and Finance for Non-finance Managers, Sage Textbook
2. Chandra, P. "Investment Game: How to Win" Tata McGraw Hill Education, New Delhi.
3. Introduction to Financial Planning; IIBF.
4. Kothari, R. "Financial Services in India-Concept and Application" Sage Publications India Pvt. Ltd., New Delhi.
5. Garg, Shalu (2024). Personal Financial Planning; Sultan Chand & Sons.
6. Mitra, S., Rai, S. K., Sahu, A. P., & Starn, H. J. "Financial Planning" Sage Publications India Pvt. Ltd., New Delhi.
7. Singh, Amit Kumar [2025]. Financial Literacy Taxmann Publications Ltd.