

## VAC 1: FINANCIAL LITERACY

### Credit distribution, Eligibility and Pre-requisites of the Course

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course
		Lecture	Tutorial	Practical/ Practice		
Financial Literacy	02	1	0	1	Pass in Class 12 <sup>th</sup>	NIL

### Learning Objectives

The Learning Objectives of this course are as follows:

- Familiarity with different aspects of financial literacy such as savings, investment, taxation, and insurance
- Understand the relevance and process of financial planning
- Promote financial well-being

### Learning outcomes

The Learning Outcomes of this course are as follows:

- Develop proficiency for personal and family financial planning
- Apply the concept of investment planning
- Ability to analyse banking and insurance products
- Personal tax planning

### SYLLABUS OF FINANCIAL LITERACY

#### UNIT – I Financial Planning and Financial Products

(3 Weeks)

- Introduction to Saving
- Time value of money
- Management of spending and financial discipline

#### UNIT – II Banking and Digital Payment

(4 Weeks)

- Banking products and services

- Digitisation of financial transactions: Debit Cards (ATM Cards) and Credit Cards., Net banking and UPI, digital wallets
- Security and precautions against Ponzi schemes and online frauds

**UNIT – III Investment Planning and Management (4 Weeks)**

- Investment opportunity and financial products
- Insurance Planning: Life and non-life including medical insurance schemes

**UNIT – IV Personal Tax (4 Weeks)**

- Introduction to basic Tax Structure in India for personal taxation
- Aspects of Personal tax planning
- Exemptions and deductions for individuals
- e-filing

*Note:* Some of the theoretical concepts would be dealt with during practice hours.

**Practical component (if any) – (15 Weeks)**

- Regular class activities to enhance students' understanding of topics and the application of concepts. The case study method may be followed as a teaching pedagogy.
- Numerical questions pertaining to each unit wherever applicable should be practiced.
- For the second unit, students may be assigned a project wherein they can log on to the website of various banks and conduct an in-depth analysis and comparison of various financial products offered.
- For Unit III, a Project related to building a dummy portfolio of stocks and tracking their returns may be given.
- An investment budget may be given to the students to select investment options that maximize the return and minimize the tax implications.
- For the last unit, students may also file a dummy IT return to get hands-on experience with e-filing.
- Students may conduct a financial literacy survey among at least 25 respondents to measure the level of financial literacy and share the findings in the awareness in the form of a report.
- Any other Practical/Practice as decided from time to time

**Essential/recommended readings**

- Introduction to Financial Planning (4th Edition 2017) – Indian Institute of Banking

& Finance.

- Sinha, Madhu. Financial Planning: A Ready Reckoner July 2017, McGraw Hill.

**Suggested readings**

- Halan, Monika, Lets Talk Money: You've Worked Hard for It, Now Make It Work for You, July 2018 Harper Business.
- Pandit, Amar The Only Financial Planning Book that You Will Ever Need , Network 18 Publications Ltd.

**Examination scheme and mode: Subject to directions from the Examination Branch/University of Delhi from time to time**