COMGE04 - Personal Finance

Master of Commerce
Generic Elective Course: Personal Finance

Course Type/ Course Code	Course Title	Lectures	Tutorials	Practical	Credit	Pre-requisites
COMGE04	Personal Finance	3	1	0	4	NIL

Objective: This course enables the student to assess personal financial goals and plans while applying most appropriate instrument to varied financial problems. It aims to equip students for financial independence and retire early.

Learning Outcomes: After studying this course the student will be able to:

- Apprehend the premise of personal finance and identify the financial goals.
- Critically evaluate the investment instruments suitable for different financial goals in different time span.
- Apply appropriate financial instruments to manage individuals' finances and make roadmap to financial independence.
- Examine the alternatives of credit planning and retirement planning to create a financial plan.

Contents:

Unit I **(12 hours)**
Financial planning process and life cycle approach, Ascertainment of financial goals; Independent opening and operation of trading and demat account. Application of investment alternatives in financial plans: debt, equity, mutual funds. Integrating SIP/ SWP/ STP.

Unit II **(12 hours)**
Risk identification and assessment for individual; Tools to mitigate risk; Planning for life, health and financial emergencies; Determine appropriate life and healthcare insurance; Use of SWP with insurance products.

Unit III **(10 hours)**
Assessment of credit; Reverse mortgage; Consumer and housing finance; EMI:

Calculations & Long-term Impact; Credit card management; Credit history, Retirement solutions, pension plans including taxes and inflation.

Unit IV **(11 hours)**

Critical analysis of investments, Insurance and tax saving instruments; Application of compounding and indexing; Building financial plans using spreadsheets; Evaluation of financial plan, Roadmap to Financial independence.

Tutorial Exercise: Student will ascertain financial goals and map the most suitable instruments based on individual risk profile, examine the CAGR of all instruments for comparison. Creating a financial plan.

Suggested Readings:

- Bogle. C John, (2017) *The little book of common sense investing, Wiley*
- Hagstrom G Robert, (2019), The warren buffet way, third edition, Wiley
- Keown, A. J. (2017). *Personal Finance – Turning money into wealth.* Pearson Publication,
- Madura, Jeff (2016). *Personal Finance*. Pearson.
- Spier, Guy (2014). *The Education of Value Investor*. Palgrave.

Suggested websites:

- www.moneycontrol.com,
- www.valueresearch.com,
- www.Finology.in
- www.yahoofinance.com ,