5 Skilled Based Courses

COMSBC01 - Financial Planning

Master of Commerce
Semester I
Skill Based Course: Financial Planning

Course Type/ Course Code	Course Title	Lectures	Tutorials	Practical	Credit	Pre-requisites
COMSBC01	**Financial Planning**	1	0	1	2	NIL

Objective: The Course in Financial Planning intent to enable critical thinking in students with respect to analysis and application of innovative solutions to varied financial problems.

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

- Critically evaluate the premise of financial planning, the investment instruments suitable for attaining different financial goals.
- Apply appropriate financial instruments to manage individuals' finances and make roadmap to financial independence.
- Examine the alternatives of large financial purchase, retirement and credit planning.

Contents:

Unit I **(8 hours)**

Financial planning process and life cycle approach, Ascertainment of financial goals; Application of investment alternatives in financial plans: debt, equity, mutual funds. Critical analysis of investments, Insurance and tax saving instruments; Use of compounding in financial plans, Integrating SIP/ SWP/ STP in financial plan, Risk identification and assessment for individual; Managing Investment Risk, Assessing appropriate life insurance and health insurance; Primary clauses in life and healthcare insurance agreement.

Unit II **(7 hours)**

Assessment of credit; Consumer and housing finance; EMI: Calculations & Long-term Impact; Credit card management; Reverse mortgage; Credit history, Retirement solutions, Critical analysis of retirement planning, pension plans including taxes and inflation. Application of compounding and indexing; Building financial plans using spreadsheets.

Note: Relevant software will be used for pedagogical purpose. Each Unit will have exercises based on virtual platform in sync with actual markets on real time basis.

Practical Exercises: Student will ascertain financial goals and map the most suitable instruments based on individual risk profile, examine the CAGR of debt funds, large, mid, small, multi, flexi Cap funds and risk associated. Highlight the entry, exit and holding of funds, examine rent or buy decisions for large purchases, estimate appropriate time to minimize the cost of large purchase.

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
- Madura, Jeff (2016). *Personal Finance*. Pearson.

Use the following websites to create virtual plans and track them on real basis.
www.moneycontrol.com,
www.valueresearch.com,
www.Finology.in
www.yahoofinance.com ,
www.screener.in,