

Course Code:FMSSBC106

Course Title: Personal Financial Planning

Total Hours: 32

Course Objectives:

- To familiarize students with different aspects of personal financial planning like savings, investment, taxation, insurance.
- To develop the necessary knowledge and skills for effective financial planning.

Course outcome:

- After studying this course, students will be able to understand the meaning and appreciate the relevance of financial planning.
- After studying this course, students will be able to understand the concept of investment planning and its methods.
- After studying this course, students will be able to examine the scope and ways of personal tax planning.
- After studying this course, students will be able to analyse insurance planning and its relevance.

Course Content:

UNIT 1:Introduction to Financial Planning (8 Hours)

Financial goals, steps in financial planning, budgeting incomes and payments, time value of money. Introduction to savings, benefits of savings, management of spending & financial discipline, Setting alerts and maintaining sufficient funds for fixed commitments.

UNIT 2: Investment Planning (8 Hours)

Process and objectives of investment, concept and measurement of return & risk for various asset classes, measurement of portfolio risk and return, diversification & portfolio formation. Gold bond; Real estate; Investment in greenfield and brownfield Projects; Investment in fixed income instruments, financial derivatives & commodity market in India. Mutual fund schemes; International investment avenues. Currency derivatives and digital currency.

UNIT 3: Personal Tax Planning (8 Hours)

Tax structure in India for personal taxation, Scope of personal tax planning, exemptions and deductions available to individuals under different heads of income and gross total income. Comparison of benefits - Special provision u/s 115 BAC vis-à-vis General provisions of the Income-tax Act, 1961, tax avoidance versus tax evasion.

UNIT 4: Insurance Planning (8 Hours)

Need for insurance. Life insurance, health insurance, property insurance, credit life insurance and professional liability insurance.


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