

## Course Content

### Semester

Course Title: <b>Financial Education and Investment Awareness</b>	Course Credits: 2
Total Contact Hours: <b>15 Hours of Theory and 30 Hours of Practical Sessions</b>	Duration of ESA: <b>90 Minutes</b>
Formative Assessment Marks: <b>20</b>	Summative Assessment Marks: <b>30</b>
Model Syllabus Authors: <b>NSE Academy and Karnataka State Higher Education Council (through Model Curriculum Committee for Commerce and Management)</b>	

### Course Outcomes

The Course aims to:

1. Provide the foundations for financial decision making
2. List out various saving and investment alternatives available for a common man
3. Give a detailed overview of stock markets and stock selection
4. Orient the learners about mutual funds and the criteria for selection

### Course Articulation Matrix

Program Outcomes / Course Outcomes	1	2	3	4	5	6	7	8	9	10	11	12
1. Provide the foundations for financial decision making												
2. List out various saving and investment alternatives available for a common man												
3. Give a detailed overview of stock markets and stock selection												
4. Orient the learners about mutual funds and the criteria for selection												

## Course Content for 'Financial Education and Investment Awareness'

### Theory Content

Module No.	Theory Content under the Module	Duration
One	<p><b>Foundations for Finance</b></p> <p><b>Introduction to Basic Concepts:</b> Understand the need for financial planning – basic concepts – life goals and financial goals – format of a sample financial plan for a young adult</p> <p><b>Economics:</b> Meaning – scope – key concepts influencing decision making both micro &amp; macro</p> <p><b>Banking in India:</b> Types of Bank Deposits, Deposit Insurance (PMJDY). Traditional and New Banking Models. Debit and Credit Cards. Digital Payment System – Internet Banking (NEFT, RTGS and IMPS), Mobile Banking, Mobile Wallet, AEPS, UPI</p> <p><b>Orientation to Financial Statements:</b> financial terms and concepts, model for reading financial statements, basic ratios for evaluating companies while investing – Time Value of Money – Concept of Compounding and Discounting</p>	4 hours
Two	<p><b>Investment Management</b></p> <p><b>Investment Goals:</b> Basic investment objectives – Investment goals – time frame – assessing risk profile – concept of diversification – risk measurement tools</p> <p><b>Investment and Saving Alternatives for a Common Investor:</b> Insurance – Health, Life and Other General Insurance (Vehicle Insurance, Property Insurance, etc), Retirement and Pension Plans – National Pension System, Atal Pension Yojana, PM-SYM Yojana, PMLVMY PMKMDY etc., Stocks, Bonds, Mutual Funds. Investor Protection and Grievance Redressal</p> <p><b>Stock Markets:</b> Primary Market and Secondary Market, Stock Exchanges, Stock Exchange Operations – Trading and Settlement, Demat Account, Depository and Depository Participants.</p> <p><b>Stock Selection:</b> Fundamental Analysis – Economy Analysis, Industry Analysis and Company Analysis. Technical Analysis – Graphical Patterns, Candle-stick Patterns, Indicators and</p>	8 hours

	<p>Oscillators</p> <p><b>Stock Return and Risk:</b> Analysing risk and returns trade off-relationship-investment risk</p>	
Three	<p><b>Mutual Funds and Financial Planning Essentials</b></p> <p><b>Mutual Funds:</b> Features of Mutual Funds, Mutual Fund History in India, Major Fund Houses in India and Mutual Fund Schemes. Types of Mutual Fund Plans. Net Asset Value.</p> <p><b>Criteria for selection of Mutual Funds:</b> Returns, Performance Measures – Sharpe, Treynor, Alpha, Beta and <math>r^2</math></p> <p><b>Financial Planning:</b> Sample formats – Integrating all the concepts learnt with a personal financial plan</p> <p><b>Giving and supporting:</b> Family support – charitable giving – crowd sourcing for needs</p>	<b>3 hours</b>

## Practical Content

Module No.	Practical Coverage under the Module	Duration
One	<p><b>Foundations for Finance</b></p> <ul style="list-style-type: none"> <li>• Spreadsheet Modelling:           <ul style="list-style-type: none"> <li>• IF Function</li> <li>• SUM Function</li> <li>• AVERAGE Function</li> <li>• INDEX, MATCH and VLOOKUP Function</li> <li>• RANK Function</li> <li>• SUMPRODUCT Function</li> <li>• MAX &amp; MIN Function</li> <li>• ERRORS in Modeling (#VALUE!, #NAME?, #DIV/0!, #REF!, #NUM!, #NA)</li> <li>• PRESENT VALUE Functions</li> <li>• FUTURE VALUE Functions</li> <li>• ANNUITY Functions</li> <li>• PERPETUITY Functions</li> </ul> </li> <li>• Statistical Functions in Excel</li> <li>• Financial Statements in Excel</li> </ul>	<b>7 hours</b>
Two	<p><b>Investment Management</b></p> <ul style="list-style-type: none"> <li>• Administering Risk Tolerance Tool</li> </ul>	<b>17 hours</b>

	<ul style="list-style-type: none"> <li>• Group Presentations on Investment Alternatives (Advantages, Suitability and Limitations)</li> <li>• Demonstration of Stock Trading</li> <li>• Economy Analysis (<a href="http://www.tradingeconomics.com">www.tradingeconomics.com</a>)</li> <li>• Industry Analysis (<a href="http://www.ibef.org">www.ibef.org</a>)</li> <li>• Company Analysis (<a href="http://www.valueresearchonline.com">www.valueresearchonline.com</a>)</li> <li>• Spreadsheet Modelling for Stock Valuation (Dividend Discount Model, Free Cash Flow and Relative Valuation)</li> <li>• Demonstration of Technical Analysis and Exercises (NSE – TAME)</li> <li>• Spreadsheet Modelling for calculating Stock Return, Risk and Beta</li> </ul>	
<b>Three</b>	<p><b>Mutual Funds and Financial Planning Essentials</b></p> <ul style="list-style-type: none"> <li>• Identification of Fund Houses in India, Schemes and Plans of each Mutual Fund House (<a href="http://www.amfiindia.in">www.amfiindia.in</a> , <a href="http://www.valueresearchonline.com">www.valueresearchonline.com</a>)</li> <li>• Exercises on Calculation of Net Asset Value</li> <li>• Demonstration of Mutual Fund Fact Sheet</li> <li>• Exercises on reading performance measures and selection of Mutual Funds</li> <li>• Preparation of Financial Plan</li> </ul>	<b>6 hours</b>

## References

1. RBI Financial Education Handbook
2. NSE Knowledge Hub, AI-powered Learning Experience Platform for BFSI
3. NSE Academy Certification in Financial Markets (NCFM) Modules:
  - a. Macroeconomics for Financial Markets
  - b. Financial Markets (Beginners Module)
  - c. Mutual Funds (Beginners Module)
  - d. Technical Analysis

## Text Books:

S. No	Author/s	Title of the Book	Publisher
1	Prasanna Chandra	Financial Management	McGraw Hill Education
2	Aswath Damodaran	Corporate Finance	John Wiley & Sons Inc
3	Pitabas Mohanty	Spreadsheet Skills for Finance Professionals	Taxmann Publications
4	Fischer & Jordan	Security Analysis & Portfolio Management	Prentice Hall

**Websites:**

1. [www.sebi.gov.in](http://www.sebi.gov.in)
2. [www.nseindia.com](http://www.nseindia.com)
3. [www.amfiindia.com](http://www.amfiindia.com)

**Question Paper Pattern**

**1. Internal Assessment – 20 marks (based on practical lab-based assignments)**

**2. End Semester Exam – 30 marks**

Section A: 4 out of 5 questions (2 marks each)  $4 \times 2 = \mathbf{8 \text{ Marks}}$

Section B: 2 out of 3 questions (6 marks each)  $2 \times 6 = \mathbf{12 \text{ Marks}}$

Section C: Compulsory:

Analysis of One Case (or) Two Case-lets  $1 \times 10 = \mathbf{10 \text{ Marks}}$

**Pedagogy**

**1. Highlights of the contents of interactive E-workbook**

- Micro and Macro-Indicators affecting Personal Financial Planning
- Financial plan templates with examples/ scenarios
- Financial Goal setting / Financial Goals Worksheet
- Stock Selection
- Criteria for selection of Mutual Funds
- Investment options for young adults who enter professions
- Financial security worksheet
- Glossary of must know key terms

**2. Online Diagnostic Assessments / Instruments**

Type	Method	Outcome
Quiz	Flash cards and games	Instructive and persuasive for behavioural change
Projections	Personal Budget based assessment	Assimilation, application and retention through case scenarios
Preassessments	Financial life skills Investor Risk Profile Risk Measurement Skills	Benchmark knowledge according to the requirements of the age and situation
Psychometric assessments	Financial stress scale	Create follow up assignments that sustain changed behaviours

**3. 10 Recorded self-help videos 12 minutes each from experts**

## Implementation Plan

1. On the approval of the Course Outline and Assessment Mechanism by the Council, NSE Academy - in association with universities, will delegate Nodal Officers for the implementation of the Program.
2. With the help of the Nodal Officers, NSE Academy will invite nominations from colleges and institutions for the Train the Trainer Programs (both physical and virtual).
3. The faculty members will undergo a rigorous training in TTT and also an assessment leading to a joint Certification from NSE Academy and the corresponding university.
4. NSE Academy will support the faculty members through specially created courses on NSE Knowledge Hub.
5. NSE Academy will also support the faculty members with comprehensive training material and facilitator aids for training the students.
6. Additionally, the Commerce and Management faculty members will be supported with continuous learning programs on NSE Knowledge Hub, on relevant topics.
7. NSE Academy will design, develop and provide customized student-friendly interactive workbooks (digital) that will support classroom learning as formative assessment.
8. NSE Academy will issue model question papers for the assessments to the Nodal Officers / CoEs of the Universities. The Universities may in turn conduct assessments for the students, evaluate and submit results to the Council and NSE Academy.
9. Based on the assessment results submitted by the Universities / Colleges / Institutions, NSE Academy will issue a Course Completion Certificate jointly with the corresponding university.
10. NSE Academy will support faculty members on research topics through research workshops on quantitative and qualitative research.
11. NSE Academy will confer the 'Best Research Proposal Award' for the faculty members
12. NSE Academy will invite (from students) and select five best project proposals for award.