

Ability Enhancement Courses (AEC)

Financial Literacy and Banking

Course Code: AE2COM

(Credit-2)

Course Objectives

- CO1:** This course is designed to develop the ability to understanding of learners for various financial skills, including money management, budgeting, investing, and financial planning.
- CO2:** To aware the learners about Indian financial system and its various services and instruments.
- CO3:** To lead the learners, understand the basic understanding of Banking practices and services available to retail customers.

Unit 1:

Introduction to Financial Literacy: Concept and Importance of Financial Literacy; Understanding Personal Finance: Income, Expenses, Savings, and Budgeting; Basics of Budgeting ; Setting Financial Goals, Sources of Funds, Investment Planning, Central Government Financial Schemes and initiatives (PMJDY, APY, NPS, NCFE, NSFE, FLCs etc.). Role of RBI, SEBI and IRDAI.

Unit 2:

Introduction to Indian Banking: Types of Banks and their Functions; Types of Bank Accounts: Savings, Current, Fixed Deposits, Recurring Deposits. Banking Services: Cheques, Demand Drafts, NEFT, RTGS, IMPS, AEPS. Other ancillary services by Banks: Locker opening, demat, investment, debit card, credit card facility, Bank Guarantees etc. E-Banking: Concept, UPI, Mobile Banking, Internet Banking, and Wallets, ATM, 24x7 Banking.

References:

- Pathak, B. V. (2023). *Indian financial system, markets, institutions & services* (6th ed.). Pearson.
- Machiraju, H. R. (2019). *Indian financial system* (5th ed.). Vikas Publishing House.
- Singh, A. K. (2024). *Taxmann's financial literacy: Equip yourself with the knowledge and skills to achieve financial independence and make informed financial decisions confidently | VAC | UGCF* (2nd ed.). Taxmann Publications.
- Rajni, P., & Singh, A. K. (2022). *Financial literacy [As per the syllabus (UGCF based on NEP)]* Taxmann Publications.
- Handbook by RBI and SEBI

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