



**DR. BABASAHEB AMBEDKAR OPEN UNIVERSITY**  
**SCHOOL OF COMMERCE & MANAGEMENT**  
**B.B.A. (Bachelor of Business Administration)**  
**SEMESTER –5 (Credit -2)**  
**Personal Finance**

S.N	Unit	Writers Name and Contact No.
<b>1</b>	<b>Introduction to Personal Finance</b> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Meaning and scope of personal finance</li> <li>• Importance of personal financial planning</li> <li>• Financial goals: short-term, medium-term &amp; long-term</li> <li>• Personal finance life cycle (earning, saving, investing, retirement)</li> <li>• Role of financial discipline</li> <li>• Relationship between income, saving, spending &amp; investment</li> <li>• Exercise</li> </ul>	
<b>2</b>	<b>Income Planning and Budgeting</b> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Meaning and sources of personal income</li> <li>• Types of income: active &amp; passive income</li> <li>• Concept of budgeting</li> <li>• Importance of budgeting in personal finance</li> <li>• Types of budgets:               <ul style="list-style-type: none"> <li>○ Balanced budget</li> <li>○ Surplus budget</li> <li>○ Deficit budget</li> </ul> </li> <li>• Household budget preparation</li> <li>• Tools for budgeting and expense tracking</li> <li>• Exercise</li> </ul>	
<b>3</b>	<b>Saving and Banking</b> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Meaning and importance of saving</li> <li>• Factors affecting saving habits</li> <li>• Role of banks in personal finance</li> <li>• Types of bank accounts:</li> </ul>	

	<ul style="list-style-type: none"> <li>○ Savings account</li> <li>○ Current account</li> <li>○ Fixed deposit</li> <li>○ Recurring deposit</li> <li>● Interest calculation methods</li> <li>● Digital banking and modern banking services</li> <li>● Exercise</li> </ul>	
<b>4</b>	<p><b>Investment Planning</b></p> <ul style="list-style-type: none"> <li>● Introduction</li> <li>● Meaning and objectives of investment</li> <li>● Difference between saving and investment</li> <li>● Risk and return concept</li> <li>● Types of investments: <ul style="list-style-type: none"> <li>○ Equity shares</li> <li>○ Bonds and debentures</li> <li>○ Mutual funds</li> <li>○ Real estate</li> <li>○ Gold and other commodities</li> </ul> </li> <li>● Investment avenues in India</li> <li>● Basics of portfolio diversification</li> <li>● Exercise</li> </ul>	
<b>5</b>	<p><b>Personal Tax Planning</b></p> <ul style="list-style-type: none"> <li>● Introduction</li> <li>● Meaning of tax and tax planning</li> <li>● Importance of tax planning</li> <li>● Types of taxes: <ul style="list-style-type: none"> <li>○ Direct tax</li> <li>○ Indirect tax</li> </ul> </li> <li>● Basics of income tax</li> <li>● Deductions and exemptions</li> <li>● Tax saving instruments</li> <li>● Role of tax planning in wealth creation</li> <li>● Exercise</li> </ul>	
<b>6</b>	<p><b>Insurance and Risk Management</b></p> <ul style="list-style-type: none"> <li>● Introduction</li> <li>● Meaning of risk and risk management</li> <li>● Importance of insurance in personal finance</li> <li>● Types of insurance: <ul style="list-style-type: none"> <li>○ Life insurance</li> <li>○ Health insurance</li> <li>○ General insurance</li> </ul> </li> </ul>	

	<ul style="list-style-type: none"> <li>• Principles of insurance</li> <li>• Insurance premium and claims process</li> <li>• Role of insurance in financial security</li> <li>• Exercise</li> </ul>	
<b>7</b>	<p><b>Credit and Debt Management</b></p> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Meaning of credit and debt</li> <li>• Types of loans: <ul style="list-style-type: none"> <li>○ Personal loan</li> <li>○ Home loan</li> <li>○ Education loan</li> <li>○ Vehicle loan</li> </ul> </li> <li>• Credit cards and consumer credit</li> <li>• Interest rates and EMI concept</li> <li>• Advantages and disadvantages of borrowing</li> <li>• Managing debt responsibly</li> <li>• Exercise</li> </ul>	
<b>8</b>	<p><b>Retirement and Wealth Planning</b></p> <ul style="list-style-type: none"> <li>• Introduction</li> <li>• Meaning and need for retirement planning</li> <li>• Retirement goals and planning process</li> <li>• Retirement investment options: <ul style="list-style-type: none"> <li>○ Provident Fund (PF)</li> <li>○ Pension schemes</li> <li>○ Mutual funds</li> <li>○ Annuities</li> </ul> </li> <li>• Wealth creation vs wealth preservation</li> <li>• Estate planning basics</li> <li>• Importance of financial independence</li> <li>• Exercise</li> </ul>	