

**M.Com**  
**III Semester**  
**CME 501: PERSONAL SAVINGS AND INVESTMENT MANAGEMENT**

**Work load: 2 hours lecture and 2 hours tutorial per week: total 3 credits**

**Objective:**

**The objective of this course is to provide students the knowledge of various avenues of savings and investment for individuals.**

**Outcomes :**     **Enables the students to know various avenues of Personal Savings and Investment Management.**

**Unit 1: Introduction to Investments**

Meaning of Investments, Difference between Savings and Investment; Difference between Investment, Speculation and Gambling. Investment Goals; Investment Constraints. Identifying Risk Tolerance.

**Unit 2: Pre-cautionary Investments**

Health Insurance: Types, operations and procedure. Life Insurance: Origin, Types, Operations and Procedures, Selection of Type of Insurance Policy. Pension Funds.

**Unit 3: Tax Saving Schemes and Savings Schemes**

Bank Deposits, Post-office Saving Schemes, NDFC Deposits, Kisan Vikas Patra, National Savings Certificates, Employee Provident Fund, Public Provident Fund.

**Unit 4: Mutual Funds**

Introduction to Mutual Funds, Historical background of Mutual Funds in India, Classification of Mutual Funds.

Selection of Mutual Funds – criteria for selection. Calculation of Net Asset Value. Calculation of Mutual Fund Returns for Dividend Payment Plan, Dividend Reinvestment Plan, Bonus Plan and Growth Plan.

Performance Criteria – Sharpe's Measure, Treynor's Measure and Jensen's Alpha.

**Unit 5: Stocks and Bonds**

Meaning of Shares and Stock, Bonds – Features and Types of Bonds.

Stock Market Operations; SEBI Guidelines – KYC guidelines.

**References:**

1. Chandra, Prasanna (2008), "Investment Analysis and Portfolio Management", Tata McGraw Hill Publishing Limited, 3<sup>rd</sup> Edition.
2. Rao, Balaji, "Financial Markets and Investment Instruments – An Industry Integrated Working Knowledge Study Material", Balaji Rao Publishers.
3. Bhalla, V.K. (2006); "Investment Management", S. Chand; 12<sup>th</sup> Edition.
4. Avadhani V.A (2006), "Securities Analysis and Portfolio Management", Himalaya Publishing House, Eighth Revised Edition.
5. Ranganatham and Madhumathi (2005); "Investment Analysis and Portfolio Management", Pearson Education, First Edition.

6. Pandian, Punithavathy (2007); “Security Analysis and Portfolio Management”, Vikas Publishing House Private Limited, Fifth Reprint Edition.
7. Kevin (2008); “Security Analysis and Portfolio Management”, Prentice Hall of India Private Limited, First Reprint Edition.
8. Maheshwari, Yogesh (2008); “Investment Management”, PHI Learning Private Limited, First Edition.
9. “Stock Market Book” (2005); Dalal Street Journal.
10. “The Layman’s Guide to Mutual Funds” (2004), Outlook Publishing (India) Private Limited, First Edition.