

Rukmini Devi Institute of Advanced Studies

Madhuban Chowk, Rohini, Delhi-110085

(Approved By AICTE & Affiliated With GGSIP University)

DOSSIER

On

Guest Lecture

On

“Financial Literacy”

On

January 25, 2017



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FORM A

Proposal:

- **Name of the event to be organized:** Guest Lecture on “Financial Literacy”
- **Date:** January 25, 2017
- **Time:** 12.50 pm – 02:20 pm
- **Venue:** Lecture Theater, RDIAS
- **Motivation for the activity:** The aim of the lecture was to educate learners on simple concepts of personal finance. The lecture covered topics such as income, shares, debentures, savings & investment, borrowings, managing funds and risk & return etc.
- **Organized by:** Department of Management Studies, RDIAS

FORM B

Part 1

Aim of the event:

Financial literacy is the ability to understand how money works in the world: how someone manages to earn or make it, how that person manages it, how he/she invests it (turn it into more) and how that person donates it to help others. The purpose of the guest lecture was to edify students on simple concepts of subjective finance.

Part 2

Abstract:

Financial Literacy refers to the set of skills and knowledge that allows an individual to make informed and effective decisions in respect of their financial resources. With the objective to spread awareness about various investment possibilities among students, the Guest Lecture on “Financial Literacy” was organized by Department of Management Studies.

Mr. Shiv Kumar Gupta, speaker for the day, elucidated about the basic concepts of savings, investments and the risk associated with them. Savings is the portion of income not spent on current expenditures. Because a person does not know what will happen in the future, money should be saved to pay for unexpected events or emergencies. An individual’s car may breakdown, their dishwasher could begin to leak, or a medical emergency could occur. Without savings, unexpected events can become large financial burdens. Therefore, savings helps an individual or family become financially secure. Money can also be saved to purchase expensive items that are too costly to buy with monthly income. Buying a new camera, purchasing an automobile, or paying for a vacation can all be accomplished by saving a portion of income.

How to Begin Saving Money?

To help a person choose saving over spending money, money should not be viewed as what is remaining after current needs and wants have been satisfied. Pay yourself first is a popular and very effective saving strategy that can help individual's choose saving over spending money. Paying yourself first means to set aside a portion of money (10-20% of net income is recommended) for saving each time a person is paid before using any of the money for spending. To successfully practice the pay yourself first strategy a person should set personal goals. Setting goals helps a person choose to save rather than spend money. A goal is defined as the end result of something a person intends to acquire, achieve, do, reach, or accomplish. Financial goals are specific objectives to be accomplished through financial planning and include saving money. Setting goals helps an individual identify and focus on items that are most important to them and then make decisions that help obtain those items. While in the process of setting goals, an individual should consider the trade-offs to those goals. A tradeoff is giving up one thing for another. Every decision involves a trade-off. Being more financially secure in the future by saving is a trade-off to spending money in the present. If a person clearly understands what they are giving up in exchange for the benefits of saving money, then their saving goals will become more attainable and realistic. When considering the trade-offs to achieving savings goals, an individual should examine their current spending as well. Spending may have to be adjusted in order to reach a financial goal and practice the pay yourself first strategy.

The Speaker briefed about the Financial Planning Process and the ways to mitigate its risks.

The financial planning process:

We all make hundreds of decisions each day. Most of these decisions are quite simple and have few consequences. Some are complex and have long-term effects on our personal and financial situations. The financial planning process is a logical, six-step procedure:

- determining your current financial situation
- developing financial goals
- identifying alternative courses of action
- evaluating alternatives

- creating and implementing a financial action plan, and
- Reevaluating and revising the plan.

Mr. Kumar then briefed the details about the various types of insurances available in the market, he also taught the students how to analyze different investment plans and thereby selecting the right investment options. The various external forces influencing the investment plans were also covered by him. Advice to be beware of various financial traps like spam emails, malware, fake credit card calls etc. was also rendered. For example:

Save by spending only small amounts

- Going with the crowd
- Selective investment blindness
- Raiding the re-draw
- Developing an attachment
- Running out of money each month

In the end the queries of the students were answered instantaneously which made it a very interactive session.

Part 3

Conclusion

The lecture was certainly informative and interactive where Mr. Shiv Kumar Gupta kept students engaged throughout the lecture by giving everyday life examples and asking questions from the students and sharing with them the perception for financial management. Relevant queries were elucidated by the guest speaker that were related to emerging mind set in knowing the personal and professional financial management. The lecture was an educative, productive and learning experience for all present.

Glimpse of the Events



Ms. Anshu Lochab, Dean Academics, presenting a welcoming bouquet to Mr. Shiv Kumar Gupta...!!!



Students of MBA & BBA listening cautiously to the Guest Lecture...!!!



Mr. Shiv Kumar Gupta Addressing the gathering...!!!



Dr. Pooja Bahl, Course Coordinator, MBA presenting a memento to Mr. Shiv Kumar Gupta...!!!