



# WELCOME to Financial Literacy Program

- **Saturday, 11 September 2021**





5,81,082  
Beneficiaries



70+  
Courses



2000+  
Locations



12,19,117  
Individuals trained  
in financial literacy





OUR PROGRAMMES



5,81,082

Beneficiaries



3,21,616

Women Skilled



70+

Courses



12,19,117

Financial Literacy

Welcome!  
How may I assist you?



# Our Dehradun Center

- **ICICI ACADEMY FOR SKILLS,**
- **DEHRADUN**
- 2nd Floor, Employment office,  
Near Parade ground,  
Dehradun – 248001, Uttarakhand.  
Mobile: 91 8468011489



# Need for Savings

- **Emergencies**

- ❖ Unexpected Expenses like illness, accident, to meet contingencies, etc.

- **Future Needs**

- ❖ With savings, in the future you can buy what you cannot buy today like car, education, etc

- **Large Expenses**

- ❖ To meet larger expenses; like purchasing a house, marriage, higher studies, etc.

# Features & Benefits of NSC

1. **Fixed income:** Currently, the scheme is generating a guaranteed return at the rate of 6.8% for investors. The returns offered by NSC have generally been higher than FDs.
2. **Types:** The scheme originally had two types of certificates – NSC VIII Issue and NSC IX Issue. The government discontinued the NSC IX Issue in December 2015. So, only the NSC VIII Issue is open for subscription currently.
3. **Tax saver:** As a government-backed tax-saving scheme, you can claim up to Rs 1.5 lakh under the provisions of Section 80C of the Income Tax Act, 1961.
4. **Start small:** You can invest as low as Rs 1,000 (or multiples of Rs 100) as an initial investment, and increase the amount when feasible.
5. **Interest rate:** Currently, the rate of interest is 6.8% p.a., which the government revises every quarter. It gets compounded annually but will be payable at maturity.
6. **Maturity period:** The maturity period is five years.
7. **Access:** You can purchase this scheme from any post office by submitting the necessary documents and undergoing the [KYC verification process](#). Also, it is easy to transfer the certificate from one post office branch to another.

# Public Provident Fund(PPF)

A **PPF** or **Public Provident Fund** is a tax-free savings scheme offered by the Government of India, wherein interest on the account is set for every quarter and is paid by the government. The interest rate w.e.f. April 2021 is 7.1%.

## How to open a PPF A/c?

PPF accounts can be opened at post offices nationalized banks and major private banks. Once the account is opened, a passbook similar to the bank passbook recording all transactions such as subscriptions, interest, withdrawals, etc. will be issued. However, some other banks simply allow PPF entries to be viewed online instead of issuing a passbook. PPF tenure 15 years

## Documents Required

- PPF account opening form (Form A) can be obtained from specified bank branches or can be downloaded online.
- ID proof
- Address proof
- Photograph of the account holder
- Nomination form



## Benefits of opening a PPF Account

- Being a Government-backed scheme, the principal and interest amounts in your PPF account are guaranteed and safe
- Contributions Rs 100 to the account of up to Rs 1.5 lakh per annum and interest earned on the savings are both tax-free
- The interest rate for the PPF account is declared by the Government every quarter. It must be noted that PPF returns are higher than FD rates of many banks in that period
- The PPF account is immune from attachment from any order or decree of any court under the Government Savings Banks Act, 1873

## Taxability & Exemption

Public Provident Fund falls under EEE (i.e. exempt-exempt-exempt) regime of taxation, i.e. Exempt-exempt-exempt. Contribution to PPF account (up to Rs 1.5 lakh per annum) is eligible for deduction under section 80C of Income Tax Act, interest earned is exempted and maturity proceeds are also exempted from tax. The interest earned on the PPF account must be mentioned on the income tax return.

# Rates & Returns

- Kisan Vikas Patra is a certificate scheme from the Indian [post office](#). It doubles a one-time investment in a period of approximately 10 years & 4 months (124 months) if you purchase the certificate between 1 July 2021 and 30 September **2021**.
- A Kisan Vikas Patra certificate can be of the following types:
  - **Single Holder Type Certificate:** This kind of certificate is issued to an adult for self or on behalf of a minor or to a minor.
  - **Joint 'A' Type Certificate:** This type of certificate is issued jointly to two adults, payable to both the holders jointly or to the survivor.
  - **Joint 'B' Type Certificate:** This type of certificate is issued jointly to two adults, payable to either of the holders or to the survivor.
- Interest rate- 6.9% (will mature in 124 months)
- **Features and Benefits of Kisan Vikas Patra**
  - **Guaranteed returns**
  - **Capital protection**
  - **Taxation**
  - **Loan against KVP certificate**

# Atal Pension Yojana - Illustration

		Monthly Pension of Rs.1,000	Monthly Pension of Rs.2,000	Monthly Pension of Rs.3,000	Monthly Pension of Rs.4,000	Monthly Pension of Rs.5,000
Return of Corpus Amt. to Nominee		Rs. 1.70 Lakh	Rs. 3.40 Lakh	Rs. 5.10 Lakh	Rs. 6.80 Lakh	Rs. 8.50 Lakh
Age at Entry	Vesting Period	Monthly Contribution				
20	40	42	84	126	168	210
25	35	76	151	226	301	376
30	30	116	231	347	462	577
35	25	181	362	543	722	902
40	20	291	582	873	1164	1454

# Social Security Schemes of GOI

- **Pradhan Mantri Suraksha Bima Yojana**
  - ❖ Accidental insurance coverage of Rs 2 lakh on death and permanent total disability, Rs. 1 lakh for permanent partial disability at a premium of Rs 12/- per annum/ member (Age 18 – 70)
- **Pradhan Mantri Jeevan Jyoti Bima Yojana**
  - ❖ Life insurance coverage of Rs 2 lakh at a premium of Rs 330 per annum/ member (Age 18-50)

# Prime Minister's Employment Generation Programme (PMEGP)

Under this scheme, beneficiaries can get a subsidy amounting to 15-35% of the project cost from the government. PMEGP is an initiative of the Ministry of Micro, Small and Medium Enterprises and is implemented at a national level by Khadi and Village Industries Commission (KVIC). As an entrepreneur, PMEGP can give you the financial assistance required to set up a new project.

## What are the main PMEGP loan details?

- Banks sanction funding up to 90% to 95% of the project cost.
- On this, the government provides 15% to 35% as margin money or PMEGP subsidy.
- The remaining 60% to 75% is provided by the bank as a term loan.
- Interest rates are regular, vary from bank to bank.
- Repayment tenor is 3 to 7 years after a preliminary moratorium.



## How much subsidy can you get through the PMEGP loan scheme?

Beneficiary Categories	Beneficiary's Share(of Total Project)	Subsidy Rate(From Govt.) – Urban	Subsidy Rate(From Govt.) – Rural
General	10%	15%	25%
Special	5%	25%	35%

## What is the PMEGP loan limit?

The PMEGP loan limit is from Rs. 9.5 to Rs.23.75 lakh. The maximum project cost for the manufacturing sector is capped at Rs.25 lakh and capped at Rs.10 lakh for the business/ service sector. The beneficiary makes a 5 to 10% contribution and the bank sanctions the remaining 90 to 95%.

In actuality, your bank credit will amount to only 60% to 75% of the project's cost as you receive the remaining 15 to 35% as margin money through the PMEGP scheme. Banks provide the balance amount of the project's cost as a term loan.

## Indicative Sectors for which Business Loan under PMEGP Scheme is given:

- Agro-based Food Processing
- Forest-based Products
- Hand Made Paper and Fibre
- Mineral-based Products
- Polymer and Chemical-based Products
- Rural Engineering and Bio-Tech
- Service and Textile



# Pradhan Mantri Mudra Yojana (PMMY)

- Launched on 08<sup>th</sup> April 2015
- Aims to provide formal access of financial facilities to Non-Corporate business vendors textile industries food production sector agricultural activities
- Focuses on ensuring bank finance to the unfunded segments of the economy working in the non-agricultural segment.

# PMMY – Details

- Categories of Loan:
  - ❖ Shishu: Up to **Rs.50,000/-** (To start up new entrepreneurship)
  - ❖ Kishore: **Rs.50,000 – 5 Lakh** (To expand the business)
  - ❖ Tarun: **Rs.5 lakh – 10 Lakh** (To further expand the business)
  - ❖ Age- 18 to 65 years
- Free from collateral security
- No processing fee & margin money for Shishu Loan
- Eligibility:
  - ❖ Any Indian Citizen who has a business plan for a non-farm sector income generating activity; and whose credit need is less than 10 lakh
- MUDRA Card (RuPay Debit Card) to provide working capital arrangement

## Toll Free Number : 1800 180 1111, 1800 11 0001

All public sector, private sector and regional rural banks are eligible to provide Mudra Loan if they satisfy the following criteria:

- Banks should have generated profits during the last two years.
- Net performing assets should not be more than 15%, 10% and 6% for public, private and regional rural banks respectively.

**Interest Rate** 7.30% p.a. onwards Loan Amount Up to Rs.10 lakh Loan tenure up to 7 years



# Kisan Credit Card Scheme

- **Objectives:**
- To provide timely and adequate credit to farmers to meet their production credit needs (Cultivation expenses) besides meeting contingency expenses and expenses related to ancillary activities through simplified procedure facilitating the borrowers for availing loans as and when they need
- **Features:**
- RKCC will be in the nature of revolving cash credit account. Credit balance in the account, if any, will fetch interest at Savings bank rate.
- Tenure:5 years, with 10% annual increase of limit every year, subject to annual review.
- Interest Subvention:3% interest subvention for prompt borrowers up to Rs. 3.00 lacs
- Repayment: The repayment period as per the crop period (Short/ Long) and marketing period for the crop.

# Kisan Credit Card Scheme

- **Insurance:**
- KCC borrowers below 70 years of age are covered under Personal Accident Insurance Scheme (PAIS)
- Eligible crops are covered under **PRADHAN MANTRI FASAL BIMA YOJNA (PMFBY)**.
  
- **Interest Rate:**
- Up to Rs. 3.00 Lacs – 7%
- Above Rs. 3.00 Lacs - As applicable from time to time
  
- **Other Features/Benefits:**
- RuPay cards for all eligible KCC borrowers
- Accidental insurance of Rs.1.00 lakh for Rupay Cards holder if the card is activated once in 45 days.

# Pradhan Mantri Jan Dhan Yojana (PMJDY)

Pradhan Mantri Jan-Dhan Yojana (PMJDY) is National Mission for Financial Inclusion to ensure access to financial services, namely, a basic savings & deposit accounts, remittance, credit, insurance, pension in an affordable manner. Under the scheme, a basic savings bank deposit (BSBD) account can be opened in any bank branch or Business Correspondent (Bank Mitra) outlet, by persons not having any other account.

A BSBD Account can be opened by any customer who does not have a Savings Account with the bank. However, the customer should also not have a complete KYC. This means that the customer does not have acceptable photo ID proof as per bank's list of documents or acceptable address proof as per bank's list of documents. Min age 10 years

## Benefits under PMJDY

- **One basic savings bank account is opened for unbanked person.**
- **There is no requirement to maintain any minimum balance in PMJDY accounts.**
- **Interest is earned on the deposit in PMJDY accounts.**
- **Rupay Debit card is provided to PMJDY account holder.**
- **Accident Insurance Cover of Rs.1 lakh (enhanced to Rs. 2 lakh to new PMJDY accounts opened after 28.8.2018) is available with RuPay card issued to the PMJDY account holders.**
- **Life Insurance Cover of Rs. 30,000 to eligible PMJDY account holders who opened their account for the first time between 15.8.2014 to 31.1.2015 is available.**
- **An overdraft (OD) facility up to Rs. 10,000 to eligible account holders is available.**
- **PMJDY accounts are eligible for Direct Benefit Transfer (DBT), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Atal Pension Yojana (APY), Micro Units Development & Refinance Agency Bank (MUDRA) scheme.**

### **Conditions:**

- **An upper monetary limit to the balance that can be maintained in this account i.e Rs. 50,000**
- **An upper monetary limit to the total of credits made to this account in a year, i.e Rs. 1,00,000**
- **An upper monetary limit to the withdrawals made in a particular month i.e Rs. 10,000**
- **A maximum of 4 withdrawals in a particular month**

# C I B I L

- **Credit Information Bureau (India) Limited (CIBIL) is India's first Credit Information Company.**
- **CIBIL collects and maintains records of an individual's payments pertaining to loans and credit cards.**
- **This information is then used to evaluate and approve loan applications.**
- **CIBIL can track all your loans' details, and history of repayments of loans and credit cards.**
- **Any irregularity, however small, is tracked and reported by CIBIL, making application for further loans difficult.**



# Beware of Frauds!

- Do not share your Bank account details like card number, CVV number, PIN OTP, password with anyone.
- Beware of fraudulent calls/e-mails since Banks will never ask for your account information.
- Sharing your details can lead to fraudulent transfer of money from your Bank account.



Thank  
You