

Lesson 1: Introduction to Financial Investment – Growing Your Money Safely

Objective:

To introduce rural women to the concept of investment as a way to grow their savings safely over time, beyond just keeping money at home or in a savings account.

Why It's Important:

Keeping money at home or in a simple savings account often doesn't beat inflation (rising prices), so your money loses value over time. Investing wisely can help your savings grow and meet future needs like education, healthcare, or starting a small business.

Key Concepts:

1. What is Investment?

Putting your money to work to earn more money, like planting a seed to get fruit later.

2. Difference Between Saving & Investing:

- Saving = Keeping money safe, easy to withdraw, low return
- Investing = Using money to earn higher returns, may have risks, usually for longer term

3. Types of Safe Investments for Rural Women:

- Post Office Savings Schemes (Recurring Deposit, Monthly Income Scheme)
- Government Savings Schemes (PPF, Sukanya Samriddhi Account)
- Fixed Deposits in banks or post office
- Small chit funds or self-help groups (SHGs) that invest collectively

4. Risk and Return:

Higher return usually means higher risk. For beginners, safe and small investments are better.

5. Compound Interest:

Interest earned on interest helps your money grow faster over time.

Example:

If you invest ₹100 every month in a Post Office Recurring Deposit at 7% interest, after 5 years you will get more than ₹7,000, which is more than the ₹6,000 you put in.

Activity:

- Show how ₹100 monthly grows in 1, 3, and 5 years with simple charts.
 - Compare keeping money under the mattress vs. in a fixed deposit.
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Discussion:

- What investments have you heard about or used?
 - What worries do you have about investing?
 - Would you like to start a small safe investment?
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Homework:

Talk to your local post office or bank about the savings schemes available. Note down the interest rates and minimum deposit amounts.

Key Message:

“Investment is like planting a tree—start small today, enjoy the shade tomorrow.”