

A PERFECT FAMILY...



Source: <https://www.homecareassisteddenver.com/wp-content/uploads/2019/05/Importance-of-Family-in-Seniors-life-2.jpg>

INVESTMENTS



Source: https://www.kindpng.com/picc/m/113-1138696_thinking-clip-art-pictures-free-clipart-images-transparent.png

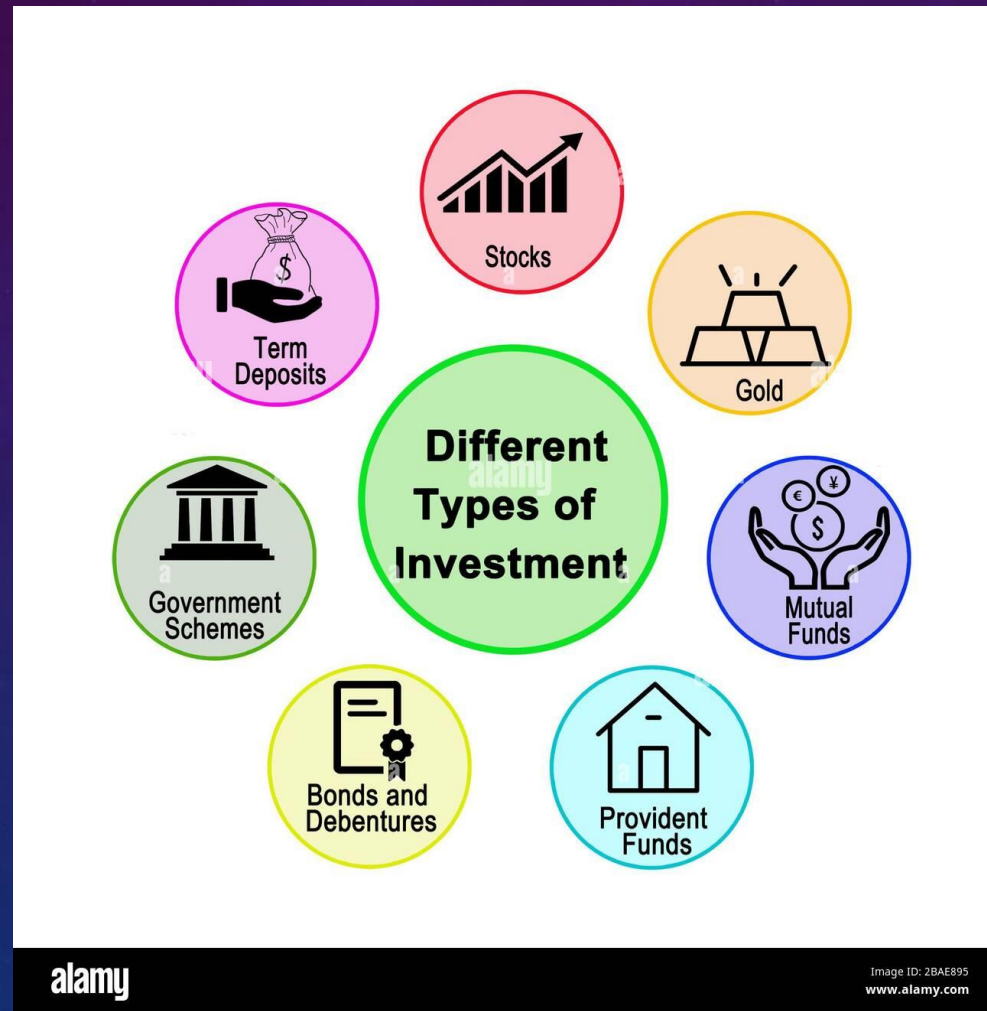


Source: <https://banner2.cleanpng.com/20180903/tvg/kisspng-vehicle-insurance-portable-network-graphics-health-ycelsigorta-5b8d0d00b87fd2.7816230415359705607557.jpg>

WHY INVESTMENTS ?

- Investing is an effective way to use your money to work and potentially build wealth.
- Objectives of Investment :
 - Safety
 - Income
 - Capital gains
- Factors to be considered while investing:
 - Reason of investment.
 - Researching the market.
 - Risk levels.
 - Investment Tenure.
 - Taxations.
 - Liquidity.
 - Volatility.
 - The Company.

TYPES OF INVESTMENTS



TERM DEPOSITS



Source: https://www.google.co.in/url?sa=i&url=https%3A%2F%2Fpaytm.com%2Fblog%2Ffixed-deposit%2Fdifference-between-fixed-deposits-and-recurring-deposits%2F&psig=AOvVaw0a3_9Z98-kCPDKxzYms1cT&ust=1666955852214000&source=images&cd=vfe&ved=0CA0QjRxqFwoTCLCBom2kgPsCFQAAAAAdAAAAABAE

TERM DEPOSITS

- Stable not market linked
- Risk free investment
- Safe return on investments
- Minimal amount can be invested
- Sum of money is kept for a fixed tenure
- Depositor is not allowed to withdraw this sum till the end of the maturity period
- Types :
 - Recurring deposit
 - Fixed deposit

RECURRING V/S FIXED DEPOSIT

Recurring Deposit

- Fixed amount is invested at fixed intervals of time
- Normally, once in a month on a fixed date
- No service charges
- Return on investment (interest) is reinvested
- Rate of interest varies
- Tenure: 6 months to 10 years
- Maturity date cannot be changed
- Premature withdrawal possible, but penalty

Fixed Deposit

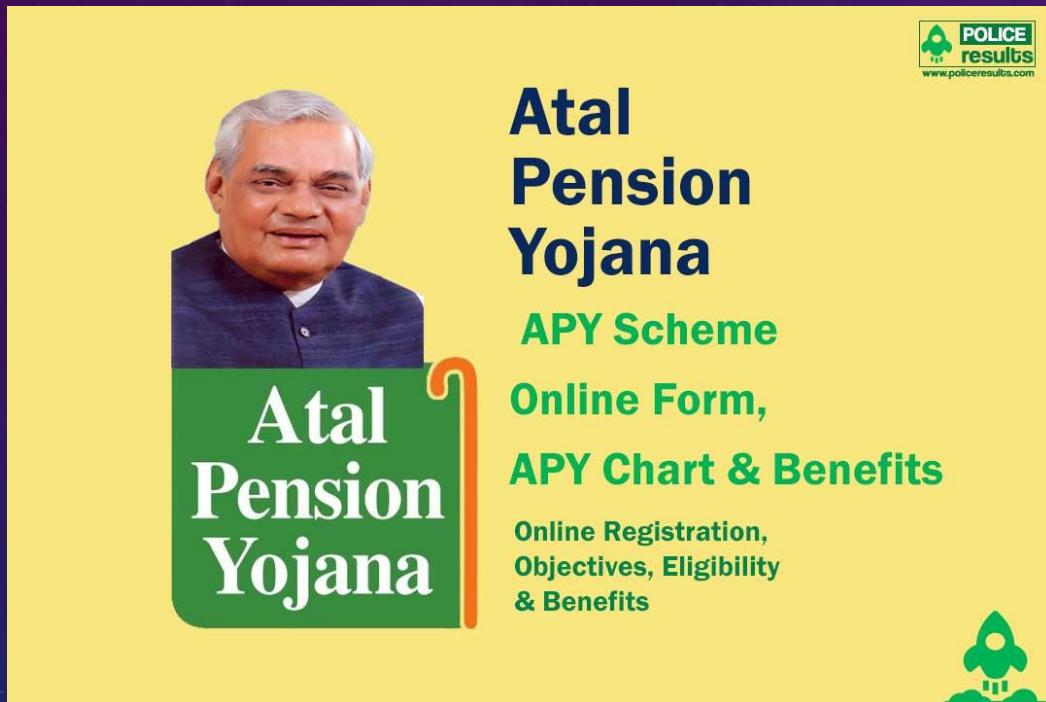
- One time investment
- Anytime
- No service charges
- Return on investment (interest) can be reinvested or deposited to the savings account
- Rate of interest depends on tenure
- Tenure: 7 days to 10 years
- Maturity date cannot be changed
- Premature withdrawal is possible, but penalty

GOVERNMENT SCHEMES

Top Best Government Investment Schemes



ATAL PENSION YOJANA (APY)



The graphic features a portrait of Atal Bihari Vajpayee on the left. To his right, the text 'Atal Pension Yojana' is written in large, bold letters. Below this, 'APY Scheme' is written in green. Further down, 'Online Form, APY Chart & Benefits' is written in green. At the bottom, 'Online Registration, Objectives, Eligibility & Benefits' is written in green. The background is yellow with a green banner at the bottom. A small 'POLICE results' logo is in the top right corner, and a green rocket icon is in the bottom right corner.

Atal Pension Yojana

APY Scheme

Online Form, APY Chart & Benefits

Online Registration, Objectives, Eligibility & Benefits

POLICE results
www.policeresults.com

- Social security scheme offered by the Indian Government for people who work in the unorganized sectors.
- Best option for economically weaker sections
- Give ways to select a pension plan for a better future.
- Citizens within the age group 18-40.
- Guaranteed pension ranging from Rs. 1000 to Rs. 5000 based on the tenure and investment amount.

Source: <https://www.policeresults.com/status-atal-pension-yojana/>

PRADHAN MANTRI JAN DHAN YOJANA (PMJDY)



Source: <https://currentaffairs.adda247.com/pradhan-mantri-jan-dhan-yojana/>

- Aims at providing financial services and products for individuals who don't have a bank account.
- Minimum age to open an account is 18 years and 10 years for minors.
- Zero balance account
- Savings account offers an overdraft facility based on bank transactions and operations.
- The premium paid towards the policy is eligible for tax benefits as under section 80C of the Income Tax Act.

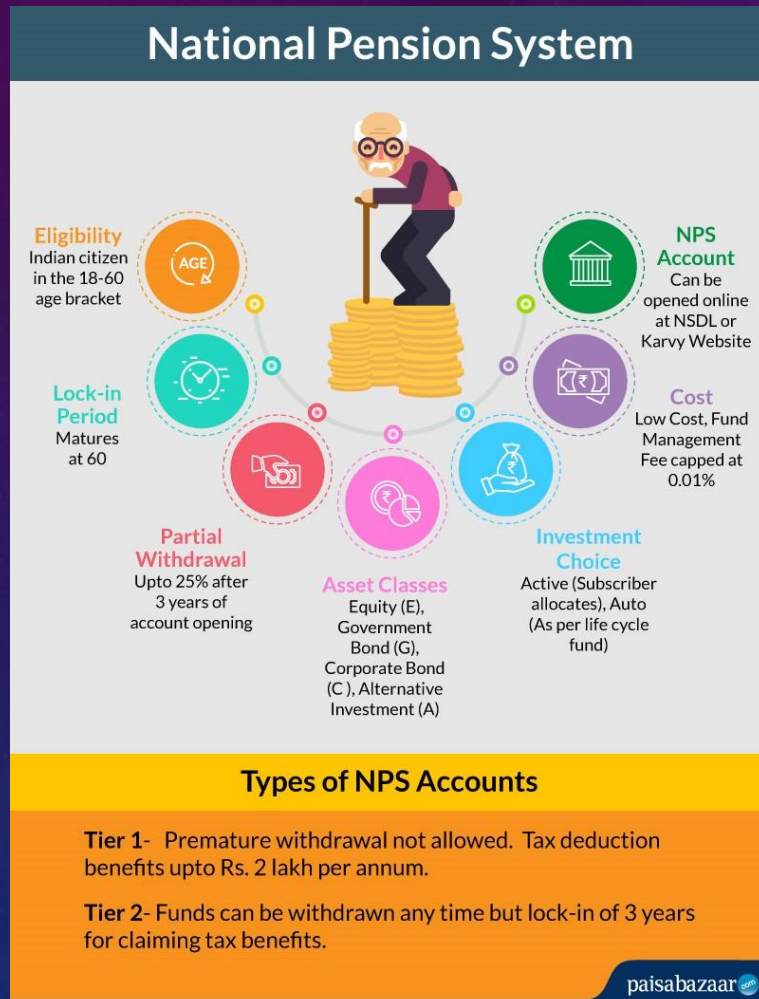
SUKANYA SAMRIDDHI YOJANA (SSY)



Source: <https://wealthtechspeaks.in/sukanya-samriddhi-yojana-scheme.html>

- Best investment plans for parents of a girl child
- Launched in 2015
- Aims at uplifting the life of a girl child that will help gain more advantages.
- Minimum amount to invest for this scheme is Rs. 1000, and the maximum amount is Rs. 1.5 lakhs per annum.
- Payment tenure is 15 years
- Parents can open an account in a girl's name until she attains 10 years.
- SSY scheme are eligible for deductions under Section 80C, subject to a maximum cap of Rs 1.5 lakh.

NATIONAL PENSION SCHEME (NPS)



- A national pension scheme is open to all government employees in India.
- Top investment plans available for living independently after retirement.
- Investors can even allocate the funds in equities and government securities based on their choices.
- Investments made up to Rs. 50,000 are eligible for tax deductions under the income tax act.
- NPS subscribers can claim tax benefit under Sec 80 CCD (1) with in the overall ceiling of Rs. 1.5 lac under Sec 80 CCE.
- An additional deduction for investment up to Rs. 50,000 in NPS (Tier I account) is available exclusively to NPS subscribers under subsection 80CCD (1B).

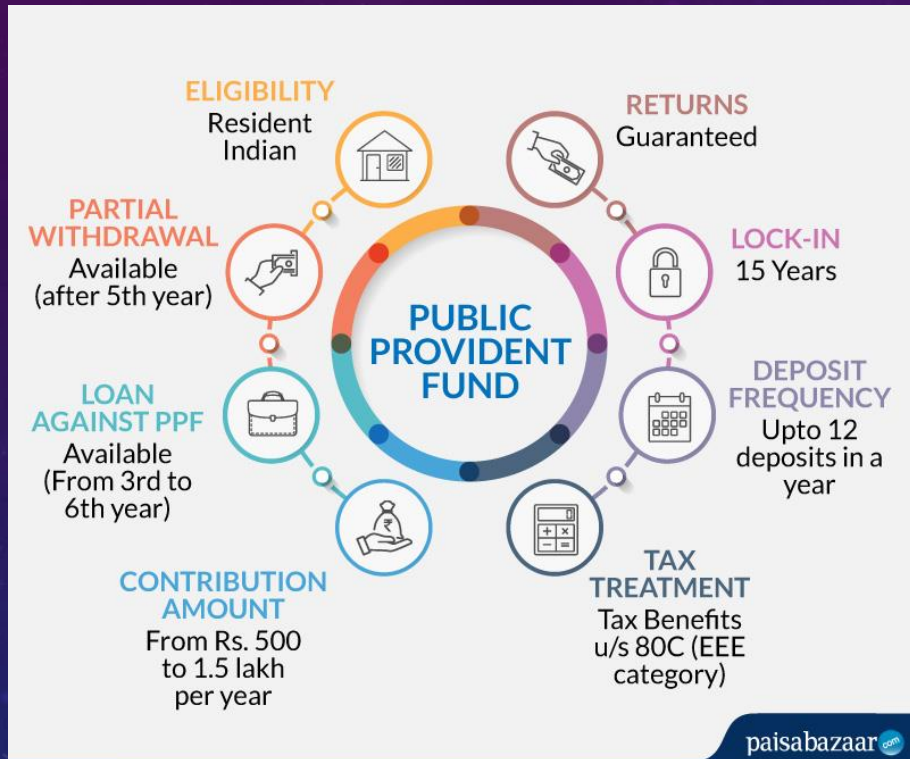
SOVEREIGN GOLD BONDS (SGBS)



Source: <https://pmmodiyojana.in/sovereign-gold-bond-scheme/>

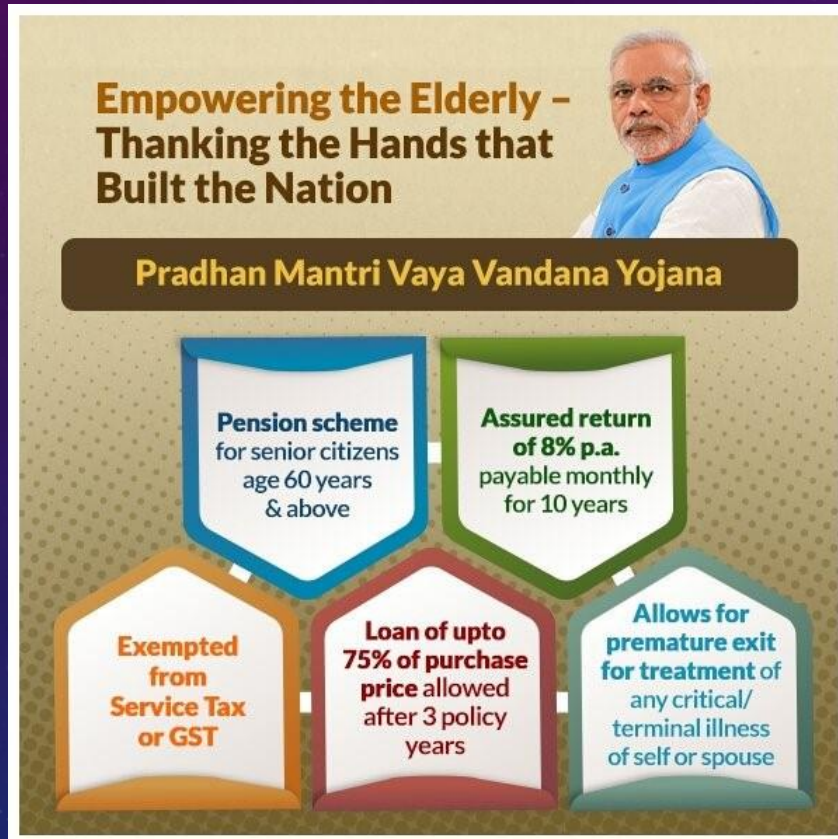
- Best option available for investors when they don't want to own and save gold.
- Bond comes in Demat form.
- TDS is not applicable.
- Best government investment schemes available due to its transparency.
- Safe scheme that will help provide financial stability.

PUBLIC PROVIDENT FUND (PPF)



- A risk-free option that gives ways to get high returns.
- Government will determine the interest rates.
- Tenure is 15 years, extended up to 5 years
- Tax saver (EEE category – Exempt-Exempt-Exempt): all investments are deductible under Section 80C of the Income Tax Act.

PRIME MINISTER VAYA VANDANA YOJANA (PMVVY)



- Retirement cum pension plan for senior citizens above 60 years.
- Regular fixed sum with an interest rate of 8% to 8.3% for 10 years.
- Exempted from ST or GST
- Loan up to 75% of purchased price after 3 policy years
- Premature exit for treatment of any critical / terminal illness of self or spouse.

NATIONAL SAVINGS SCHEME (NSC)



- Best savings plan available for individuals to meet essential financial planning needs.
- Minimum investment is Rs.100
- Maximum no limit
- Fixed interest rates based on inflation and other factors
- Only Indian residents are eligible to apply for the scheme

Source: <https://www.mymoneysage.in/blog/all-about-national-savings-certificate-nsc-withdrawal-transfer-and-tax-benefits/>



GOVERNMENT SECURITIES



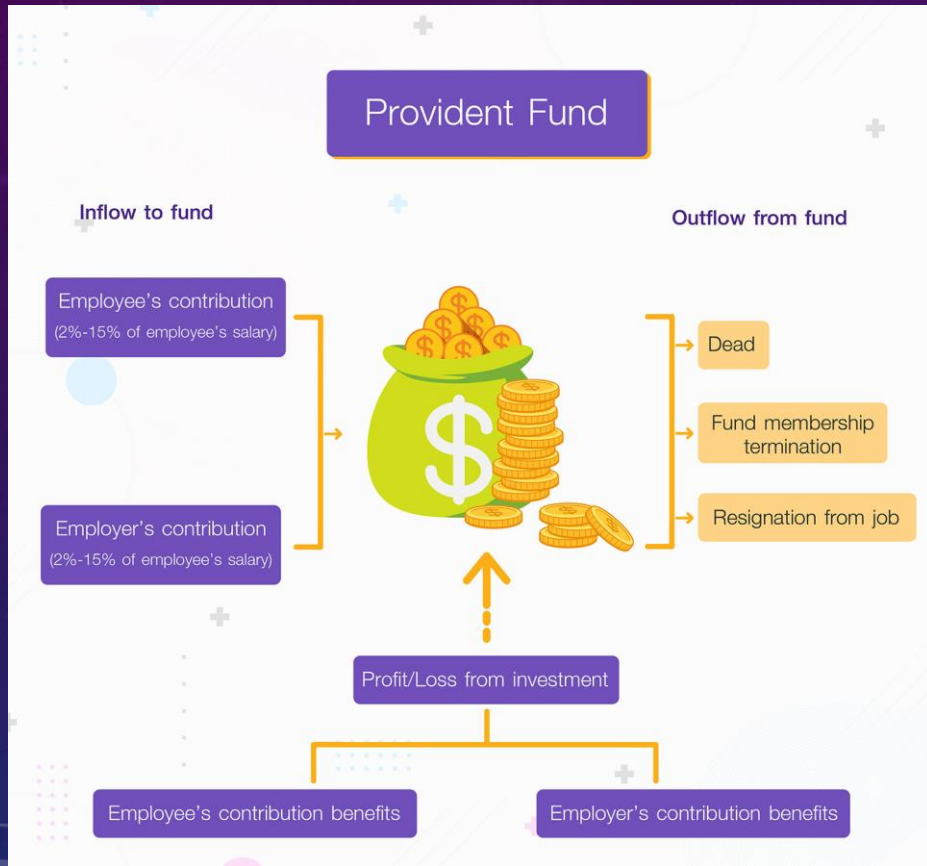
Source <https://wikifinancepedia.com/investing/investment/government-securities-market-india>

- Bonds and treasury bills (T-bills) are issues to investors
- Can be selected based on investor's choices
- Maturity period may range from 91 days to 40 years depending on the securities
- High returns that will help generate high income effectively
- Can even use them as collateral when they want to borrow funds
- Helps a lot to maintain a better cash flow to overcome financial obstacles.

BONDS AND DEBENTURES

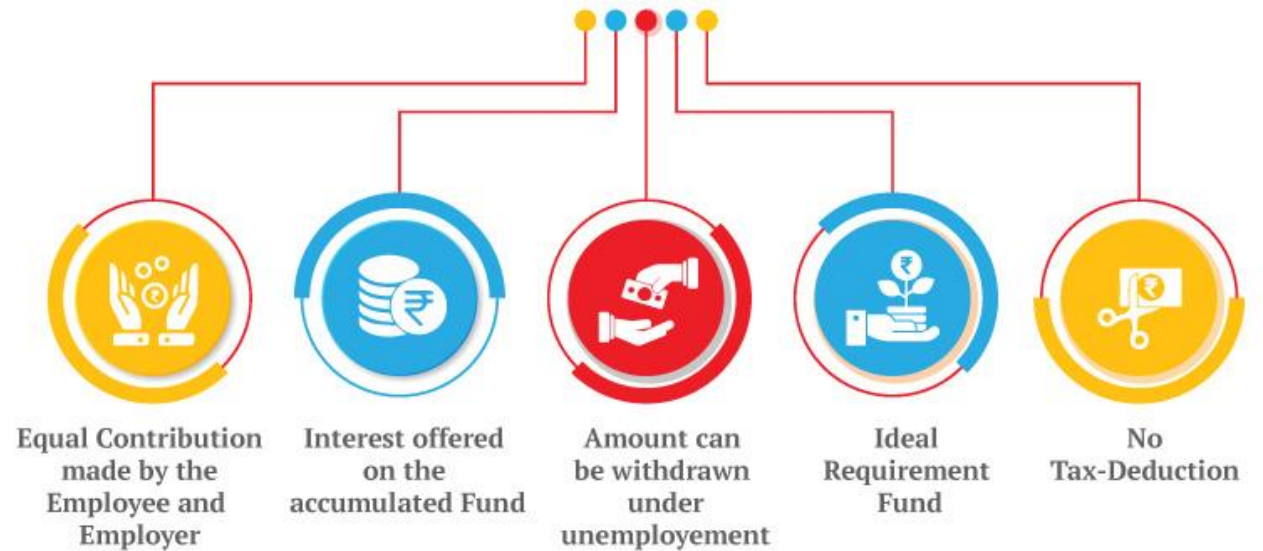
|  BONDS | VS |  DEBENTURES |
|--|----------------|---|
| A bond is a debt instrument issued by private and public organizations to collect funds from the people with the commitment to pay periodic interests and repay the loan on the date of bond maturity. | Meaning | A debenture is a debt instrument issued by private corporations to raise funds for a specific purpose. In return, the debenture holders are given the first preference to receive interest over stockholders. The purpose of debentures is to raise finances for the short-term or long-term. |
| An investor who receives the bond is called a bondholder. | Holder | Investors who receive debentures are called debenture holders. |
| Bonds are one of the secured investment options. | Issuing entity | Unlike bonds, debentures are high-risk instruments because they are not attached to any security. |
| Bonds are issued by private entities, financial companies, and government agencies. | Risk | Debentures are issued by private entities to meet specific needs in the business. |
| Bonds provide lesser interest rates as they are attached to collateral security, but the investor will receive interest on an accrual basis. | Interest rate | Debentures carry high-interest rates because they are not backed by any collateral. Plus, debenture holders are the first to be paid over others. |
| Bonds are secured with the company's physical assets. They act as collateral to the issuing debt instrument. | Collateral | Debentures are not backed by any physical assets or collateral, except the creditworthiness and stature of the issuer. |
| Bondholders receive interest monthly or annually. | Payment | The debenture holder receives periodic interests. |
| Bonds can be converted into a pre-agreed set of shares. | Convertibility | According to the issuer's offering, the debenture holder can convert the debt instrument into a prefixed number of shares after a set time mentioned in the document. |
| Bondholders are given the top priority at the time of liquidation or unforeseen situations in the company. | Priority | A debenture holder is the first one to be paid before equity shareholders. |
| Investments in bonds are for the long term, so is their tenure. | Tenure | Investment in debentures is done for a specific purpose. So, their tenure can be short-term or long-term, depending on the task pursued by the company. |

PROVIDENT FUND



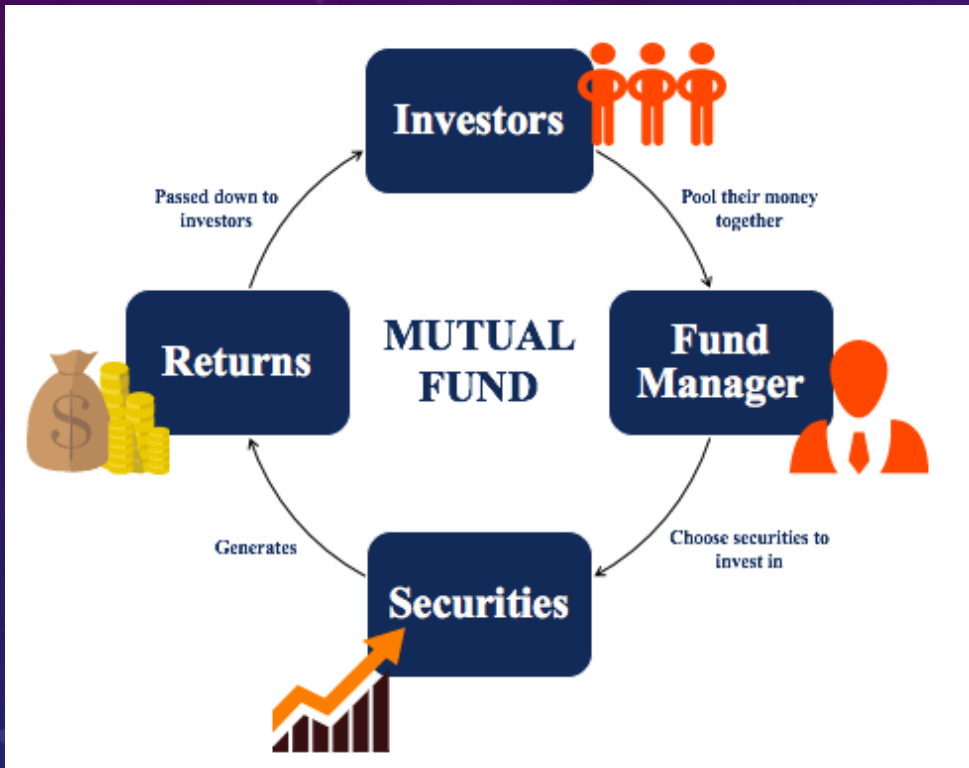
Source: <https://www.scbam.com/medias/upload/pagepvd/aw-pvd-02-en.jpg>

Benefits of Employee Provident Fund



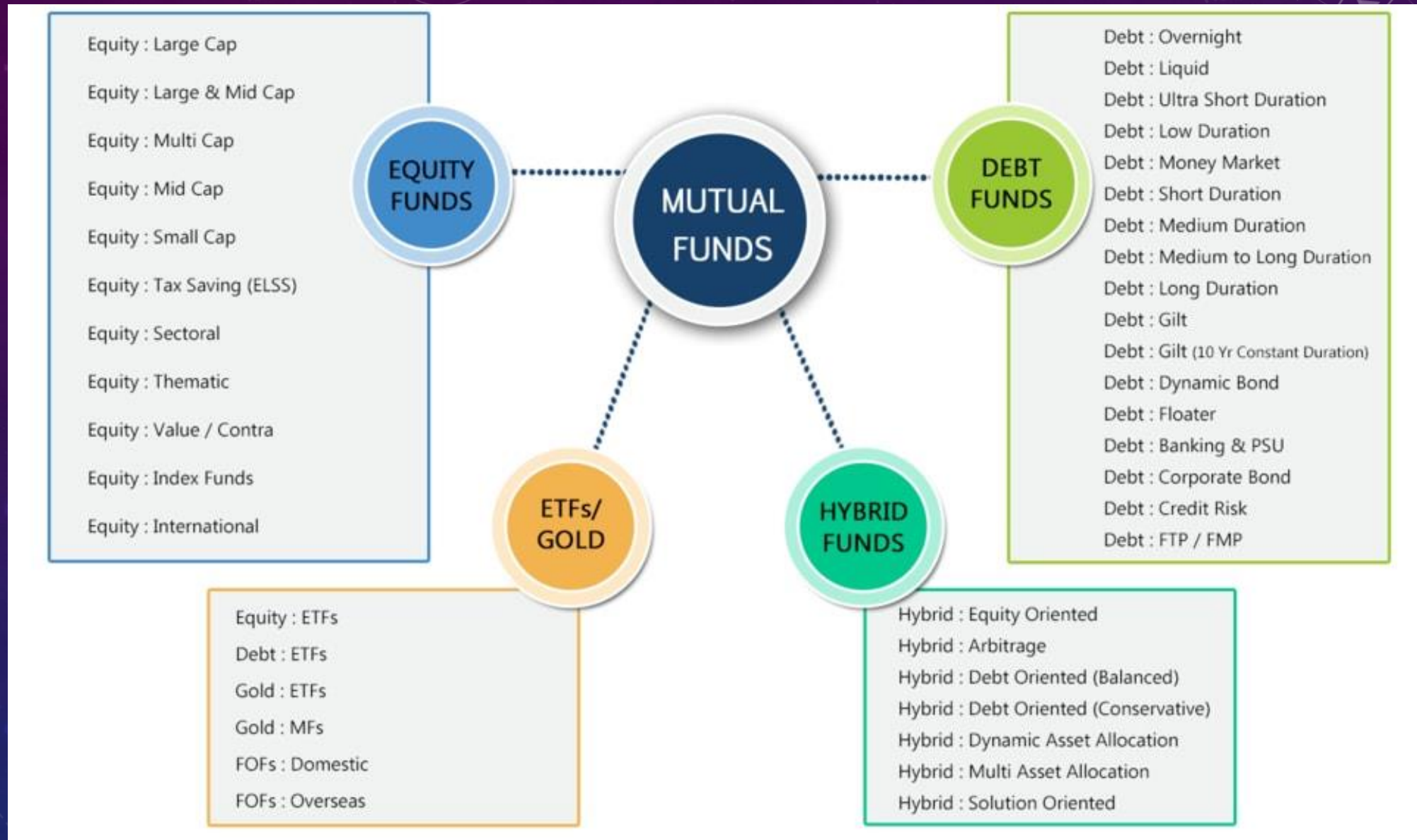
Source: <https://www.canarahsbclife.com/blog/all-about-employees-provident-fund-epf.html>

MUTUAL FUND



Source: <https://cdn.corporatefinanceinstitute.com/assets/mutual-funds.png>

- A mutual fund is a professionally managed financial instrument that pools money from many investors to purchase securities such as stocks, bonds, money market instruments, etc. It offers more diversification and opportunity for investors to make smart investments without being actively engaged in the day to day investment activities.
- Advantages:
 - Built-in diversification
 - Professional management
 - Fulfils various investment objectives
 - Liquidity
 - Regulation under SEBI (Securities and Exchange Board of India)



GOLD

HOW TO INVEST IN GOLD IN INDIA ?



STOCKS



Source: <http://myvoice.opindia.com/wp-content/uploads/sites/3/2018/07/BSE-building-trademark.jpg>



Source: <https://www.vskills.in/certification/blog/stock-market-trends-and-investors/>