



भारतीय प्रतिभूति और विनियोग बोर्ड
Securities and Exchange Board of India

FINANCIAL EDUCATION BOOKLET





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Published by:

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November 2020

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Chapter 1 – Introduction

Financial literacy assumes much significance in today's world. Financial literacy, as a life skill, is to be imparted to every individual for management of their personal finances. People face various issues like complexity of financial products, prevalence of fraudulent and Ponzi schemes, need for funds to get a better quality of life after retirement, etc. These issues have generated need for a better management of personal finances with proper management of income and expenditure.

Financial education helps people in being financially literate and develop a positive attitude towards managing their income, expenditure, assets and liabilities properly, which would lead them to a situation of better financial well-being.

Financial planning is must for every household. Financial planning goes beyond savings. It is an investment with a purpose. It is a plan to save and spend future income and should be carefully budgeted.

This literature provides a fair understanding of the personal finance world, explaining the concept of financial planning, key concepts in financial literacy, various investment options, savings and investment products, insurance and pension products, retirement planning, caution against Ponzi schemes, tax saving options, investor protection measures, do's and don'ts of investing, etc.



This booklet is meant for the general investors and at the end of completion of this module, it is expected that the target participants will get better understanding and better management of their personal finances to achieve better financial well-being.

Chapter 2 - Key Concepts in personal finance

Some important concepts in personal finance which an individual should be aware of while managing their personal finances are mentioned as below:

What are Savings?

Savings are the surplus of income over expenditure.

- a. **Income**- Money earned from various sources like Salary, Wages, etc.
- b. **Expenditure**- Money spent on various items which include essential and non-essential items.

People usually meet their short term goals with savings. Money in savings account of a bank earns a small amount of interest and it is easy to withdraw it whenever needed. People can save in savings bank accounts, Post Office savings accounts, etc.

What are Investments?

Investment is the act of deployment of money out of savings into financial or non-financial products with the expectation of earning higher returns over a period of time. The various products in which investments may be done are financial products viz. fixed deposit in bank, buying shares in stock market, investing in Mutual funds, etc. and non-financial products viz. purchase of land, gold, silver, etc. The investments may be done for short term, medium term or long-term. While investing one should always remember that return on investments may rise or fall over time and it is quite normal for that to happen.



Difference between Savings and Investments is mentioned in the table below:

	Savings in Bank Accounts	Investment in Fixed Deposits and other financial products
Meaning	A portion of one's income which is not used for expenses.	Putting your money in various investment products to make money grow.
Purpose	Savings are made to maintain liquidity to meet short term or urgent requirements.	Investments are made to make the money grow by creating assets that can generate income in the future/increase value of assets.
Risk	Low or negligible	Depends upon the asset in which investment is done.
Liquidity	Highly liquid	Comparatively less liquid

What is the importance of saving and investing?

Investing money makes it grow for you. Any increase in the value of the investment over a period of time, or investment income/returns that you receive, gets you that much closer to your financial goals. One should start saving and investing early in his or her life. The earlier you start, the better you will be placed in meeting your goals like owning a house, financing your child's education, funding for your retirement, etc.

What are Assets and Liabilities?

Items that you own and have economic value are your assets and items which you owe to others or have borrowed from others are your liabilities. For example, if you save and then invest in a fixed deposit, it is your asset. On the other hand, if you borrow funds/take a loan from a bank or any individual, it is your liability.



What is Debt?

Money borrowed to meet shortfall of money when expenses are more than the funds available in hand is called debt.

What is the Time Value of Money?

As time passes, you will realize that if 10 years back you could afford to purchase a full lunch for a particular amount of money, then today you could afford to get only a portion of the lunch in that amount of money. This means that the value of a five-hundred-rupee note would be higher today than after five years. Although the note is the same, you can do much more with the money if you have it now because over a period, you can make the money grow by earning interest on the money. By receiving ₹500/- today, you can increase the future amount of your money by investing the money and gaining interest or capital appreciation over a period of time.



At the most basic level, the time value of money shows that time literally is money, i.e. the value of the money you have now is not the same as it will be in the future and vice versa.

What is Inflation and its effect on Investments?

Inflation refers to rise in prices of goods and services. Over a period of time, as the cost of goods and services increases, the ability of a unit of money, say one rupee, to buy goods and services keeps declining. In other words, the Purchasing Power of money, i.e. ability of money to buy anything, decreases. It is important to take into account the effects of inflation on your investments during financial planning. Investors greatly fear inflation since it reduces the value of their investment.

How does inflation affect my investment decision?

A Vada Pav costing ₹2/- five years ago would now cost ₹7/-. This increase in the price is not as a result of higher quantity or a better quality of the Vada Pav, but due to inflation impacting the prices of the ingredients and finally the end product.

What are the steps that you can take to avoid the adverse effects of inflation?

Try to determine your "real rate of return", or the return you can expect after factoring in the effects of inflation. To reduce the risk of decrease in the value of money, you can invest the money available to you today at a rate equal or higher than the rate of inflation.

What is Power of Compounding?

With simple interest, you can earn interest only on the principal (that is, the amount you initially invested); while with compounding interest, you earn interest on the principal as well as, previously earned interest.

Let us understand the magic of compounding with the help of an example.

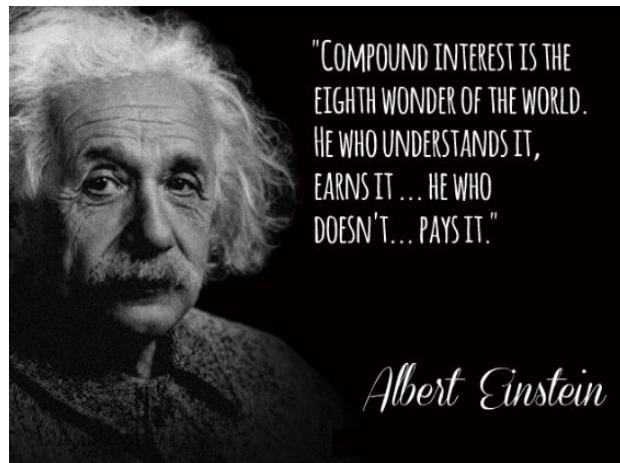
Year	Principal	Rate of return	Return earned	Maturity value
1	1 ,000	9%	90	1,090
2	1 ,090 (1000+ interest earned of 90)	9%	98	1,188
3	1,188 (1,000+interest earned 90+98)	9%	295	1295
10	2,172	9%	195	2,367*
20	5,142	9%	463	5,604
40	28,816	9%	2,593	31,409

*Principal amount is changing at the end of every year on account of addition of return earned for that year to the principal. As principal is increasing every year, the return earned on increased principal also is increasing.

The above example shows how an initial investment of ₹1,000/- grows to ₹31,409/- over a period of 40 years. When the return is reinvested, you earn a return on the previously earned return and so on. Whereas in case of simple interest, the principle amount remains at ₹1,000/- only for all the 40 years and with annual interest of ₹90/-, the amount grows to only ₹4,600/-.

Note:

- Principal + return from the first year collectively becomes the principal for the second year.
- Principal + return from the second year collectively becomes the Principal for the third year and so on.

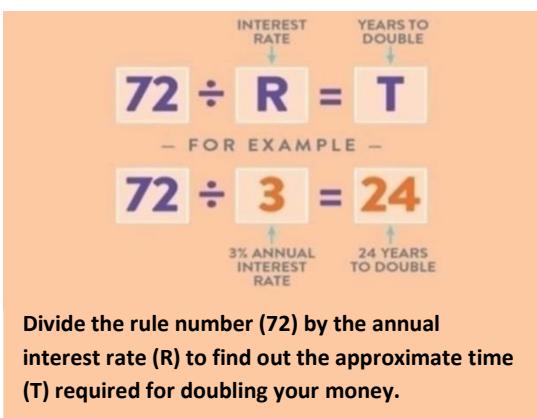


The Rule of 72

Mathematicians say that you can find out how long it will take you to double your money simply by dividing the number 72 by the interest rate. So let's say your parents give you ₹200/- for your birthday and you plan to invest it. If you put the money into an account that earns 6 percent (6%) interest a year, how long will it take to grow to ₹400/-?

72 / 6% interest = 12 years

So in 12 years, your money will have doubled to ₹400/-.



Rupee Cost Averaging

Rupee cost averaging is the process in which you invest a fixed amount of money at regular intervals irrespective of market fluctuations. For example, you buy more units when unit prices are low and less units when unit prices are high. By investing according to a schedule, you avoid the complex or even impossible duty of trying to figure out the exact best time to invest. The rupee cost averaging effect averages out the costs of your units and hence lessens the impact of short-term market fluctuations on your investments. For example, look at the table below:

Month	Amount Paid	Cost per unit	Number of units bought (Amount paid / Cost)
Jan	2000	50.00	40
Feb	2000	41.67	48
Mar	2000	47.62	42
Apr	2000	58.82	34
May	2000	71.42	28
Jun	2000	66.67	30

Jul	2000	40.00	50
Aug	2000	47.62	42
Sep	2000	45.45	44
Oct	2000	62.50	32
Nov	2000	55.55	36
Dec	2000	50.00	40
Total	24,000		466 units

From the above, it can be seen that with a total investment of ₹24,000/- over a period of twelve months, an investor received 466 units of Mutual fund. The average price per unit comes to ₹51.50/- (i.e. ₹24,000/466 = ₹51.50/-).

Chapter 3 - Financial Planning

A. Financial Planning

Financial planning is the process of estimating financial needs of a person and implementing a comprehensive plan to meet those financial needs during his or her lifetime through investment. For instance, birth of a child, education, purchasing house, marriage, meeting emergency situations like an illness, to meet the impact of an accident, death, or natural calamities like flood, etc.

B. Financial Planning Process



Determine Your Current Financial Situation

If you want to plan for the future, you need to understand your current financial position. You need to understand what your incomes, expenses, assets and liabilities/debts are? Your net worth is simply assets you own minus liabilities you owe.

The net worth is calculated as under: -

Assets		Liabilities	
Particulars	Amount in Rupees	Particulars	Amount in Rupees
Car	25,000	House Loan	20,00,000
Bank Balance	5,00,000	Car Loan	10,000
House	50,00,000		
Total Assets	55,25,000	Total Liabilities	20,10,000
Net Worth (Assets- Liabilities)	35,15,000/- (55,25,000-20,10,000)		

Your net worth indicates your capacity to achieve your financial goals, such as buying a home, paying for university education, future medical expenses, repayment of loan, etc.

Develop Financial Goals

Your financial goals can range from acquiring assets, saving for emergency as well as making investments for your future financial security. The financial goals of an individual can be categorized as below:

- a. Basic financial goals (food, clothing, shelter, etc.)
- b. Secondary or advanced financial goals (education, house, marriage, etc.)
- c. Retirement planning
- d. Estate planning



Individuals can use a variety of investment, risk management and tax planning strategies to meet their financial goals. These goals change over an individual's lifetime and accordingly the financial plan should be reviewed on a regular basis for any modification as per change in the circumstances.

TIP: While making financial plans, one should first ensure a planned savings amount and then plan for meeting expenses.

Mr. Warren Buffett, one of world's successful investor, has said: - "**Don't save what is left after spending; spend what is left after saving.**"

Therefore, the basic concept that everyone should focus upon while utilising his income is as follows:

$$\text{Income} - \text{Savings} = \text{Expenditure}$$

Wealth is not built overnight. One needs to set specific financial goals. A good financial goal should be **SMART i.e. Specific, Measurable, Achievable, Realistic and Time-bound.**

	Description	Incorrect Approach	Right Approach
Specific	You need to know exactly what you want to achieve and when you want it.	I need to set aside money for my grand daughter's birthday next year.	I need to set aside ₹ 10,000/- for my grand daughter's birthday next year.
Measurable	A goal should be measurable so that you know when you will achieve it.	I will pay off most of my credit card dues soon.	In the next six months, I will pay off all my credit card bills in full.

Achievable	Your goal should be within a reasonable reach.	I will save money.	I will save ₹ 48,000/- every year by setting aside ₹ 4,000/- every month.
Realistic	Your goals need to be based on resources and tasks that you can reasonably achieve.	By saving regularly, I will become a millionaire.	By saving regularly, I will be debt free by January next year. If I continue saving regularly after clearing all my debt, by next December I will be saving the sufficient amount to fund six months of my living expenses.
Time-bound	Goals with timelines allow you to track your progress and encourage you to keep going until you reach your goal.	I will save money for my daughter's marriage.	I will save ₹ 50,000/- every year for next 10 years for my daughter's marriage.

Goal-based investing focuses on meeting goals that are personal and specific. The focus of this approach is to arrive at future value of different goals and then pursuing these goals through asset allocation made for investments according to each individual's financial goal. To adopt this strategy while investing, one must plan as per one's age, risk appetite (ability to take risk), financial situation and investment horizon.

Five-Step Approach to Achieve Financial Goals

STEP 1: Identify specific financial goals

It is important to prepare a proper plan to fix each investment with a specific goal. It is very important to identify one's financial goals and aspirations and estimate the amount of money it would be needed to fulfil them.

STEP 2: Classify goals into Short-term, Medium term or Long term

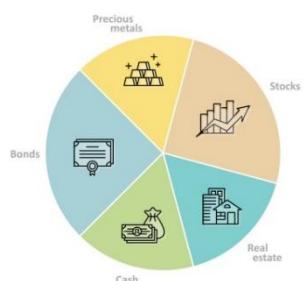
- **Short-term goals** are typically financial requirements that are expected to arise in time period ranging from a few months to one year.
- **Medium-term goals** may have a time horizon of one year to eight years. Goals like buying a property, starting your own venture, getting enrolled in a professional course, etc. can be medium-term financial goals.
- **Long-term goals** may have a time horizon of eight years or more for example child's marriage, retirement planning, etc.

STEP 3: Decide upon asset-allocation

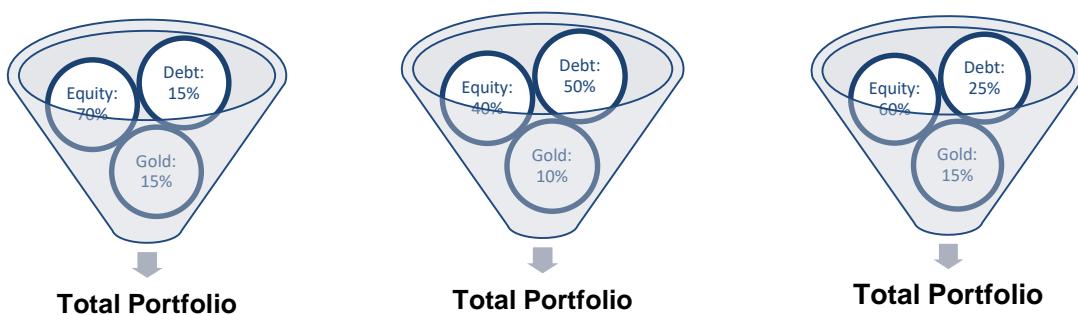
Asset-Allocation is a strategy for investing your money into various asset classes such as equity and debt that would suit an investor's income and risk appetite. Asset Classes may be referred to groups of financial instruments which have similar financial characteristics. Asset Allocation refers to an investment strategy that aims to balance risk and reward - in the form of returns - by dividing the assets of an individual's portfolio according to his/her financial goals, risk tolerance and investment horizon.

Asset Allocation

Allocate assets depending on your age, lifestyle, family commitments and your financial goals. While allocating your funds, distribute your investments across various asset classes such as equity, bonds, real estate, etc., to benefit from diversification, which helps reduce risk and increases the possibility of earning moderate to high returns on your investments.



For example: An individual's portfolio when he/she invests in various asset classes (depending upon his financial goals, risk appetite, investment horizon, etc.) may look like any of the following:



STEP 4: Choose the right investments with diversification (within asset classes)

Arriving at the right risk-return combination and choosing the right asset allocation can seem difficult. For a longer term goal, it is advisable to focus on maximizing returns with diversified asset allocation.

Diversification

It refers to the process which reduces risk by making investments into various financial instruments, industries and other categories. It aims to minimize loss on return by investing in different asset classes (debt, equity, gold, real assets, etc.) that would react differently to the same event, such as those relating to the economy or markets.

Although diversification does not provide guarantee against loss, it is the most important component for reaching long-term financial goals while minimizing risk.

TIP:

- Don't put all eggs (invest all your money) in one basket (asset class).
- Diversification is doing investment in various financial instruments or asset classes.
- Goal is to find an appropriate balance between risk and return.

STEP 5: Review and revise financial plans

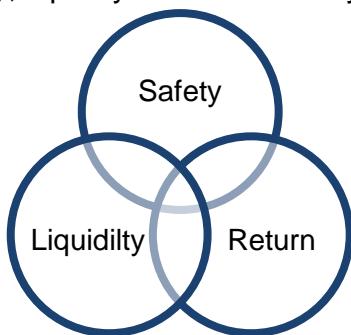
To stay on track, regularly review the progress towards your goals and investments. Review your investments like stocks and mutual funds in your portfolio. Certain products may seem tailor-made for specific needs, but they may not be actually useful for one's portfolio. Be aware of such investment options.

C. Choosing Investment Options & Understanding Risk

The investment products available for an investor are fixed income securities, equity investments, mutual funds, etc. Every asset class has its own risk and return. Investments in equities are considered as high risk investments as their returns are subject to performance of individual companies and general economic scenario. On the other hand, investments in the debt instruments are considered having relatively low risk.

For instance, Government bonds are considered to be effectively "risk free" due to the trust that government will not default on the repayment to investors.

Three pillars of investment - The investment decision by an individual is influenced by safety, liquidity and return. They are called the three pillars of investment.



- i. **Safety:** This is about how well protected the principal and return on the investment is. For instance, if you lend ₹100/- to someone, will it be repaid on time? Or, is your capital of ₹100/- safe? Safety means your money invested is protected and there is every possibility that on the agreed date, or maybe even before, it would be returned whenever needed.
- ii. **Liquidity:** This pillar of investment is the degree of ease with which you can encash or liquidate your investment at fair value. In the above example, it will be about how soon will you get your money back if you need it immediately?
- iii. **Return:** What is the return you will get on your investments? It could be in the form of income, appreciation of capital invested or both. Income means an investment's earnings in the form of interest or dividend payment. Capital appreciation means the increase in market value of investment over a period of time.

For example, if the present market value is higher than the value at the time of investment, it is called appreciation or gain. In case the market value is lower than the value at the time of investment, it is called depreciation or loss.

D. Returns from Investment

Returns from Investment can be described as money made by an investor on his/ her investment. The returns can be in two ways as explained below:

Regular Income

- **Equity Investment:** You get dividend when you buy and hold equity shares of a company and units of equity mutual fund.
- **Fixed Income Investment:** In debt securities, you receive fixed interest on interest bearing Investments

Capital Appreciation

- When the value of initial investment increases over a period of time and the investor benefits by selling part or whole of the investment at the increased value, **it is called Capital Appreciation.**

Example of Capital Appreciation: An investor bought 100 shares of company XYZ Ltd. at ₹50/- per share by paying ₹5,000/- in total. When the value of XYZ share increases to ₹65/- per share, and the investor sells 100 shares in the market, he or she will get ₹6,500 (100 Shares at ₹65/- per share). The investor stands to gain ₹1500/- from the initial investment that he has made. This is called capital appreciation/capital gain.

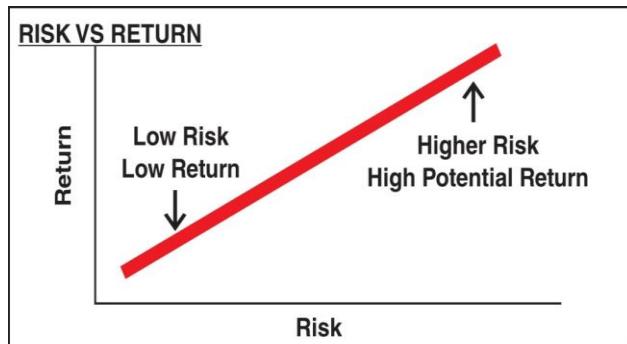
E. What are Risks and Returns?

Risk can be defined as the probability or likelihood of a loss occurring in relation to your expected returns from any particular investment. It is a measure of the level of uncertainty of achieving the returns as per investor expectations.

Risk V/S Return



Risk and investing go hand in hand. The good news is that "risk" comes with the potential for "rewards" from investing — which is what makes the whole process worthwhile.



Tips:

- ✓ Once you invest in any asset class you should monitor your investments on a regular basis and keep yourself updated about various market happenings to take corrective action.
- ✓ Always check the potential risks and do proper due diligence when promised returns are usually high.

Chapter 4 - Savings Related Products

In this chapter, we will discuss about the various savings related products available to the public. These include deposit schemes offered by banks, government deposit schemes, public deposits issued by companies, etc.

A. Why to keep money in banks?

Drawbacks of keeping cash at home are mentioned as below:

- **Unsafe** – Money can be stolen or lost due to natural calamities
- **Loss of growth opportunities** - Loss of interest income
- **No/Low credit eligibility** - Deposit in banks creates eligibility for taking loans

Therefore, it is beneficial to keep money in banks rather than at home in cash.

B. Banking

Commercial banks are regulated financial institutions as they deal with public money and trust. Commercial banks in India are regulated by Reserve Bank of India. Banks are required to go through mandatory inspection and audits at various intervals and are also audited by the Reserve Bank of India every year.



Bank deposits are comparatively lower risk investments. Banks offer various types of deposits, depending on the needs of the customers. Bank deposits are preferred more for their liquidity and safety than for the returns. It is also possible to get loans from banks against fixed deposits up to 75 to 90 % of the deposit amount.

Central Government deposit insurance scheme ensures that all deposits are insured by the Government up to a limit of ₹5 lakhs per customer in that particular bank. So, even in case of a failure of a bank, depositors are assured that the Government will step in and return up to ₹5 lakhs of their savings in that bank. For complete details on the scheme, one can refer the website of Reserve Bank of India, from time to time.

C. Account Opening Process — Know Your Client (KYC) Norms

For opening any type of bank account, customers need to undergo the process of complying with KYC norms. KYC Stands for "Know Your Customer". The objective of KYC is to enable banks to know and understand their customers better and help them manage their risks prudently. The KYC documents generally accepted by banks are: Photograph, Document for proof of identity (copy of PAN Card, Aadhaar Card, etc.) and Document for proof of address (copy of electricity bill, driving license, passport, Aadhaar card, etc).



D. Types of Bank Accounts

Types of Bank Deposit and their Key Features	
Savings Bank (SB) Account	
<ul style="list-style-type: none"> • Low interest, however, highly liquid. • Facilitates payment mechanism through Automated Teller Machines (ATMs). • No Tax deducted at Source (TDS) on interest on SB account balance, but taxable in the hands of depositor. • Account can be opened in single name or joint names. In the case of joint account, the operation of the account can be done by any one account holder or jointly. • Minors of any age can also open a savings bank account through their natural or legally appointed guardian. Minors above age of 10 years can also avail additional banking facilities like internet banking, ATM/ debit card, cheque book facility, etc. 	
Basic Savings Bank Deposit Account (BSBDA)	
<ul style="list-style-type: none"> • Introduced to promote financial inclusion. • Zero balance savings account without any requirement of an initial deposit can be opened for individuals and also minors (through their guardian). • Relaxed conditions for number of deposits/ withdrawals in a month. • ATM Card, passbooks are issued free of charge. • BSDBA account holders are not eligible for opening any other savings bank deposit account in that bank. 	
Fixed Deposit (FD) Account	
<ul style="list-style-type: none"> • Involves placing funds with the bank for a fixed term at a certain interest rate. • Interest accrued or earned on FD is subject to Tax Deducted at Source (TDS) beyond a stipulated amount. • Senior citizens may get extra benefits on the interest rate. • Tenure and rate of interest on FDs varies from bank to bank. 	
Recurring Deposit (RD) Account	
<ul style="list-style-type: none"> • A fixed amount is deposited at monthly intervals for a predetermined term. • Earns higher interest than savings bank account. • TDS applicable on interest accrued or earned beyond a stipulated amount. • Senior citizens may get extra benefits on the interest rate. • Tenure and rate of interest on RDs varies from bank to bank. 	
Special Bank Term Deposit Scheme	
<ul style="list-style-type: none"> • Tax savings scheme available with banks. • Relief under Section 80C of the Income Tax Act, 1961. • Term deposit with 5 years lock in period. • No premature withdrawal/loan allowed. 	

E. Digital Banking

In the modern era, transactions including payments, fund transfers and buying goods, all take place on digital platforms, such as mobile phones. Customers can perform transactions from any place.



The various digital modes of transferring funds are as follows:

Mode of Transfer and Key Features

NEFT (National Electronic Fund Transfer)

- Transfer of funds from one Bank account to another.
- No restrictions on the minimum/ maximum amount for transfer.
- Transfer is done using beneficiary's account number and IFSC Code (Indian Financial System Code, a unique code assigned to each bank branch)
- Charges for transfer may differ from bank to bank.
- Transfer of funds can be initiated any time during the day and it takes few hours to get credited in the beneficiary account.

RTGS (Real Time Gross Settlement)

- Transfer of funds from one Bank account to a different account of another bank on a real time basis.
- Used to make high value transactions.
- Transfer is done using beneficiary's account number and IFSC Code (Indian Financial System Code, a unique code assigned to each bank branch).
- Charges for transfer may differ from bank to bank.
- Transfer of funds can be initiated during the specified period on working day and is completed instantly on a real time basis.

IMPS (Immediate Payment Service)

- Transfer of funds from one Bank account to another facilitating instant fund transfer.
- For fund transfer through internet banking, beneficiary's account number and IFSC Code (Indian Financial Services Code, a unique code assigned to each bank branch) are needed.
- For fund transfer through mobile banking, beneficiary's MMID (Mobile Money Identifier is a 7 digit number issued by bank to the customer) is needed.

Unified Payment Interface (UPI)

- Instant transfer of funds through any smart phone using VPA (Virtual Payment Address).
- 24 x 7 fund transfer facility on a real time basis.
- One needs to download UPI-enabled bank app and login using bank details.

** Complete details regarding different modes of funds transfer, may be accessed at www.rbi.org.in and <https://www.npci.org.in>.

New Categories of Banks and Business Correspondents:

- Reserve Bank of India (RBI) has introduced certain new categories of banks and Business Correspondents whose key features are detailed as below:

Title	Key Features
Payment Bank	<ul style="list-style-type: none"> - Provides savings account/ current account facilities. - Can accept demand deposit but not recurring/ fixed deposit. - Can issue ATM/ Debit Cards but not credit cards. - Cannot give loans/ advances. - Offer payment and remittance service through various channels.
Small Finance Bank	<ul style="list-style-type: none"> - Provides features like taking small deposits and disbursing small amount loans. - Instrument to save funds primarily to unserved and underserved sections of population. - Extend loans of small amount to small business units, micro and small enterprises, small and marginal farmers and entities in the unorganized sectors.
Business Correspondent	<ul style="list-style-type: none"> - Representative of a bank who goes to customers (usually in remote locations/ villages) to help them with their banking needs/ transactions. - Can provide services like opening of bank accounts, deposits, transfer of funds, collection of loan deposits, disbursal of small value credit, collection of payment/ fees, etc.

F. Digital Payments - Do's and Don'ts

DO'S	DON'Ts
✓ Use a password for your computer, laptop and mobile so that no one else can access your systems without your consent. Change your passwords and security settings regularly.	✗ Never save your mobile banking login ID and password on the phone. Either memorize it or write it down somewhere else that is safe and not accessible to anyone.
✓ Always visit your bank's secure Internet Banking website directly. Avoid using Internet Banking on unsecured WI-FI networks such as railway stations, airports, cybercafés, etc.	✗ Never leave your handset unattended and logged into a mobile banking app or internet banking account or while carrying out any financial transaction.
✓ Log out of your Internet Banking/ Mobile Banking application immediately after you have completed your transaction and before closing the window.	✗ Never ignore your account balance statements and transaction history.
✓ Update the mobile banking app as and when a new version/ or upgrade is released. Also update your phone with latest security systems and software.	✗ Don't keep your PC or laptop lying around when not in use or trust a stranger to use it.

<p>✓ If you suspect unauthorized transactions in your account, report it to your bank immediately or at least within three working days, so that your complaint or grievance is addressed in your favour.</p>	<p>✗ Never download apps from untrustworthy and unreliable sources.</p>
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G. What is a Credit card and a Debit card?

Credit card gives the card holder the benefit of availing credit facility for a certain period of time for example making payments without having immediate money in hand in the form of credit card transactions.



Debit card, on the other hand, is a card issued to a bank account holder for withdrawing money at ATMs from his account as well as to make payment at point of sale. All the merchant establishments accept debit cards in settlement of transactions.

Both credit and debit cards can be used for withdrawal of cash from ATMs as well as for digital transactions.

Comparison between a credit card and a debit card are listed as below:

Particulars	Credit Card	Debit Card
Source of funds	Lending bank provides the credit facility	Linked to one's own savings/ current account maintained with the same bank
Interest	If outstanding amount is not paid on time, interest is levied.	Not applicable
Credit History	Relevant for issuing a credit card	Not relevant for issuance of the debit card.
Relationship with the issuer	No compulsion to have account with issuing bank	Having an account with the issuing bank is a pre-requisite

Things to keep in mind while transacting through ATM card:

- Change the PIN immediately when the card is received from bank.
- Don't write down your PIN number anywhere. Memorize it. Don't disclose your PIN number to any third person.
- Preferably use an ATM within bank premises or premises which are manned 24*7 by a security guard. Use it personally. Bank has no liability in case the ATM card has been handed over for transaction to any other person except the account holder.
- While using the online transaction, use the virtual keyboard.
- Register yourself with bank for getting SMS alerts on transactions. However, banks may charge customers for providing SMS or e-mail alerts related to their bank accounts.

- Change your PIN numbers as often as convenient.
- If the card is lost, immediately inform the bank.
- Do not allow anyone to access or use your card.

H. Customer Liability for unauthorized banking transactions

RBI has specified that a customer has no liability when an unauthorized transaction happens on account of fraud, contributory negligence or deficiency on part of the bank. Similarly, even when neither the customer nor the bank is at fault, but the problem lies elsewhere in the system, the customer does not have any liability, provided he/she notifies the bank about the unauthorized or illegal operation within three days of receiving an alert from the bank. And the bank shall credit the amount involved in such transaction to the customer's account within a specified time period. However, in cases where such fraud takes place on account of the negligence of the customer, the entire loss, until the date of reporting the unlawful transaction, will be borne by the customer.

RBI has emphasized banks that they need to send SMS and e-mail alerts to the customers immediately after a transaction is carried out in their account. They have been instructed to ensure that such messages are enabled to carry the customer's reply too, so that a customer can report any such fraud immediately.

I. Reserve Bank of India (RBI)

Reserve Bank of India (RBI), the central bank of India, was established on April 1, 1935, under the Reserve Bank of India Act. The Reserve Bank of India uses monetary policy to create financial stability in India, and it is charged with regulating the country's currency and credit systems. The main purpose of RBI is to conduct consolidated supervision of the financial sector in India, which is made up of commercial banks, financial institutions and nonbanking finance companies. It formulates, implements and monitors India's monetary policy. The central bank's management objective is to maintain price stability and ensure that credit is flowing to productive economic sectors. RBI acts as a regulator and supervisor of the overall banking system and it is also the banker to the Government of India. RBI is also the lender of last resort for all commercial banks.

J. Grievance Redressal

For redressal of any grievance regarding banking industry products/ schemes, please refer to Chapter 12 of this booklet.

K. Government Schemes in Banking Industry

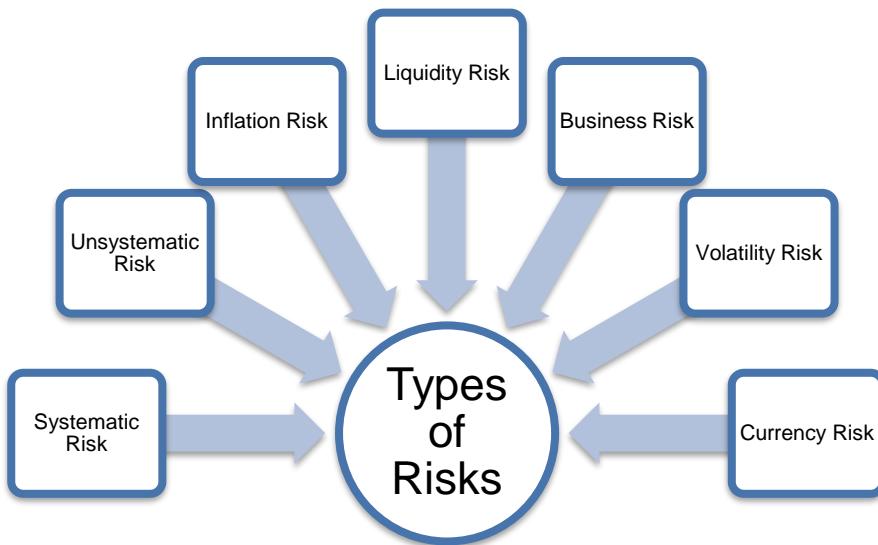
For information on various government schemes in banking industry, please refer to Chapter 9 of this booklet.

Chapter 5 - Investment in Securities Market

Before investing in securities, it is better to understand the market and be fully aware of the risks involved. Be aware of your capacity to handle risk and invest accordingly. Generally, you can evaluate a potential investment by analysing seven key risks as mentioned below:



Types of Risks



i. Market risk or Systematic Risk

An investor may experience losses due to factors affecting the overall performance of financial markets and macroeconomic factors. Stock market bubbles and crashes are good examples of heightened market risk.

ii. Unsystematic Risk

Unsystematic risk can be described as the uncertainty inherent in a particular company or industry. Examples of unsystematic risk include a new competitor in the marketplace with the potential to take significant market share from the company an investor is invested in, a regulatory change, such as one that could drive down company sales, a shift in management, a product recall, etc.

iii. Inflation risk

Inflation risk, also called as purchasing power risk, is the chance that the cash flows from an investment won't be worth as much in the future as they are today because of a decline in its purchasing power due to inflation.

iv. Liquidity risk

Liquidity risk arises when an investment cannot be bought or sold or converted into cash quickly enough to prevent or minimize a loss or to meet any immediate

expense. You can minimize this risk to a great extent by diversifying your investments.

v. Business Risk

It refers to the risk that a business might stop its operations due to any unfavourable market or financial situation.

vi. Volatility Risk

It refers to the risk when the stock prices of a company may fluctuate, even when those companies aren't in danger of failing.

vii. Currency Risk

Currency risk arises when there is a possibility of losing money due to unfavourable movements in exchange rates. It may happen from change in price of one currency in relation to other and investors who have assets across national borders are exposed to this risk.

How to mitigate the risk?

The investors can try to mitigate the risk by different means. Asset allocation is one strategy through which an investor can benefit from diversification of their investments into various sectors and companies to mitigate risk.

Volatility risk can be managed by investing through Systematic Investment Plan of Mutual Funds or buying equities directly from the market in smaller lots over a period of time. A good understanding of the fundamentals of a company can help one make an appropriate judgment about the health of a company. Of course, investors should ignore the rumours and unsolicited messages for investing in securities market.

Investments in securities market are done through primary market as well as secondary market. The difference between primary market and secondary market is that in the primary market, investors are allotted securities directly by the company, while in the secondary market investors buy securities from the existing investors through their stock brokers. Investments in securities market are subject to taxation, which includes short term and long term tax on capital gains as well as dividend pay-outs.

What are the pre-requisites to invest in securities?

In order to invest in equity shares, an investor should have three accounts:

- **Savings Account** – Saving bank account with a commercial bank
- **Trading Account** - Trading account with a SEBI registered stock broker of a recognized stock exchange to buy or sell securities on the Stock Exchange
- **Demat Account** - Demat account with a SEBI recognized Depository Participant (DP) of Depository for holding securities in dematerialized/electronic form

The Demat account can be opened with depository participant (DP) of any of the Depository. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) are two SEBI registered depositories in India.

The list of SEBI registered stock brokers and depository participants may be obtained from SEBI's official website (www.sebi.gov.in) or from the websites of the respective stock exchanges & depositories.

Primary Market

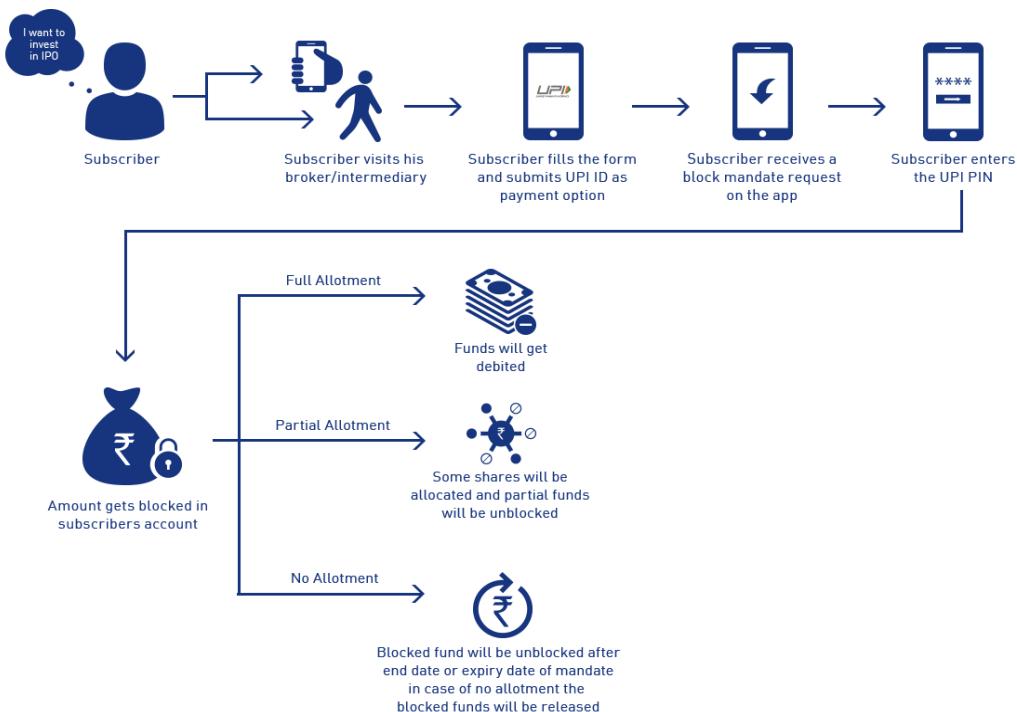
When a company publicly issues new stocks and bonds for the first time, it does so in the primary market. In many cases, this takes the form of an initial public offer (IPO). SEBI examines the prospectus issued to the public for subscription of shares to see that it meets with the requirements of the SEBI Regulations. Companies issuing securities via the primary market hire merchant bankers who, on behalf of the company, prepare the prospectus and ensure related compliance for the issue of shares viz. finalization of allotment process, listing of shares in the stock exchanges, etc.

Application Supported by Blocked Amount (ASBA) for Shares

An investor can now apply for shares in the primary market through ASBA. In public issues w.e.f. May 01, 2010 all the investors can apply through ASBA. ASBA is an application by an investor containing an authorization to the bank to block the application money in his/her bank account, for subscribing to an issue. Blocked amount continues to earn interest. If an investor is applying through ASBA, his application money shall be debited from the bank account only if his/her application is selected for allotment, after the basis of allotment is finalized. The investor need not have to bother about refunds as money to the extent required for allotment of securities, is deducted from the bank account and in case the securities are not allotted to the investor, then the blocked amount in his/ her bank account is released and made available to use.

Unified Payment Interface (UPI) in ASBA

A new feature of utilizing Unified Payment Interface (UPI) while making payment in ASBA, has also been introduced recently. This feature may be used for the purpose of blocking of funds and making payments in the public issue process. This requires the investors to create a UPI ID and PIN using any of the UPI enabled mobile application. Usage of UPI in public issue process brings in comfort, ease of use and reduces the listing time for public issues.



Secondary Market

Secondary market is the market where securities are traded after the company has issued the stocks and bonds in the primary market. The shares are listed and traded on the stock exchanges which facilitates the buying and selling of stocks in the secondary market. Major SEBI recognized stock exchanges in India are BSE Ltd. (formerly Bombay Stock Exchange Ltd.) and the National Stock Exchange of India Ltd. (NSE).

Anyone can purchase securities on the secondary market as long as they are willing to pay the price at which the securities are being traded. Investment in securities market should be done after carrying out research on the background of the company, future prospects and financial strength of the company.

Know Your Client (KYC)



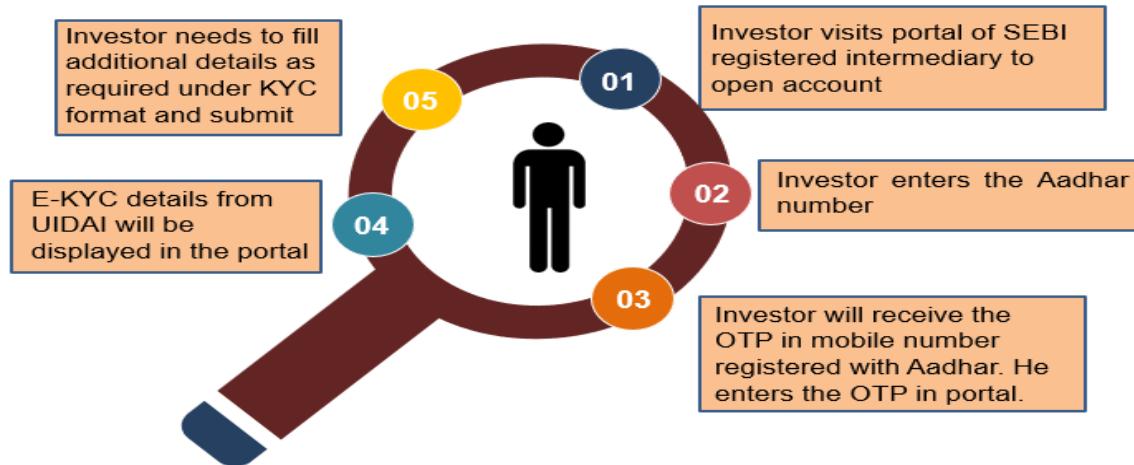
For the purpose of opening of Demat and trading account with a Depository Participant (DP)/Stock broker, the investor has to complete Know Your Client (KYC) process with the respective DP/Stock Broker. KYC is mandatory under the Prevention of Money Laundering Act, 2002 and Rules framed there under. Investor has to submit Officially Valid Documents (OVDs) as proof of identity and proof of address such as PAN card / Unique Identification (UID) (Aadhaar)/ Passport/ Voter ID card/ Driving license, etc. KYC process may be done online through Aadhaar based E-KYC mechanism or offline by visiting or sending the documents to the registered address of the intermediary.

of address such as PAN card / Unique Identification (UID) (Aadhaar)/ Passport/ Voter ID card/ Driving license, etc. KYC process may be done online through Aadhaar based E-KYC mechanism or offline by visiting or sending the documents to the registered address of the intermediary.



KYC is one time exercise while dealing in securities markets. Once KYC is done through a SEBI registered intermediary (broker, DP, Mutual Fund etc), Investors need not undergo the same process again while approaching another intermediary

Online portal based Investor (Resident) E-KYC Process



Once you have opened an account with a stock broker, you can buy or sell shares of a company through a stock broker of the recognized stock exchange where the shares are listed and traded. You can place order to buy or sell securities with your broker using the online trading account by visiting broker's website, mobile trading app of broker, through the phone using Call & Trade facility or physically visiting their office.

Modes of Placement of Order



Word of Caution

Buying or selling of shares shall always be done through a SEBI registered stock broker.

Trading days and Trading & Settlement Cycle

Trading on the stock exchange takes place on all days of the week (except Saturdays and Sundays and holidays declared by the Stock Exchange in advance).

In case of purchase of shares, investors are required to make payment to the bank account of your stock broker prior to the pay-in day for the relevant settlement. Once payment is made by the investor, the broker would credit the shares in the Demat account of investor after pay-out day.

Similarly, in case of sale of shares, investors are required to deliver the shares to Demat account of broker prior to the pay-in day for the relevant settlement. Once the shares are delivered by the investor, the broker would credit the funds in the bank account of investor after pay-out day.

What is the pay-in day and pay-out day?

Pay-in day is the day when the brokers shall make payment of funds (in case of purchase of shares) or delivery of securities (in case of sale of shares) to the stock exchange. Pay-out day is the day when the stock exchange makes payment of funds (in case of sale of shares) or delivery of securities (in case of purchase of shares) to the broker. Settlement cycle is on T+2 rolling settlement basis w.e.f. April 01, 2003 (where T stands for the trade day). For example, trades executed on a Monday are typically settled on the following Wednesday (considering 2 working days from the trade day). The funds and securities pay-in and pay-out are carried out on T+2 day.

The exchanges have to ensure that the pay-out of funds and securities to the clients is done by the broker within 24 hours of the pay-out.

Margin and Pledging / Re-pledging of securities

When an investor buys a stock, he has two options, i.e.

- to pay the entire price of the stock upfront, called early pay in or
- to pay only a certain percentage of the price of the stock and borrow money from the broker to finance the rest. The percentage of the price of the stock paid upfront is called margin. The payment of the remaining amount can be made by the designated pay-out time.

Similarly, when an investor desires to sell his stocks he has the option to either pay in the shares to be sold or can give a margin upfront. Margin can be provided in the form of cash or instruments like fixed deposits, bank guarantee, securities, units of mutual funds, government securities and treasury bills in demat form.

Margin is provided in the form of securities, in favour of the broker only in the form of pledge. A pledge is a deposit of some personal property as collateral for a debt. Stock Brokers can accept securities (viz shares) as collateral only in the form of margin pledge created on the securities held in client's demat account. Investor (client) needs to give

instructions to create margin pledge on securities. This instruction can be in physical form or electronically through “SPEED-e” (for NSDL) and “Easiest” (for CDSL).

Contract Note

A Contract Note is evidence of trade done by the stock broker given to the investor and is a legal document which contains details of the transaction such as securities bought/sold, traded price, time of trade, brokerage, etc. Contract Notes can be issued in physical form or in electronic form. In case investor opts for electronic contract note, a specific authorization needs to be given to the stock broker along with the details of email of the investor. Such electronic contract notes shall be digitally signed and encrypted which would make them difficult to be tampered.

Basic Services Demat Account (BSDA)

SEBI with a view to achieve wider financial inclusion, encourage holding of demat accounts. In order to reduce the cost of maintaining securities in demat accounts for retail individual investors, SEBI has made available a Basic Services Demat Account" (BSDA) to investors.



Benefits of BSDA

- Nil/Low Annual Maintenance Charges (AMC)
- Free of charge periodic Transaction and Holding statements of the Demat account.
- 2 physical statements free of charge during the billing cycle.
- At least 2 Delivery Instruction Slips (DIS) shall be issued at time of account opening.

Value of Debt holdings in BSDA	Value of Equity holdings in BSDA	Annual Maintenance Charges (AMC)
Up to ₹1,00,000/-	Up to ₹50,000/-	NIL
From ₹1,00,001/- to ₹2,00,000/-	From ₹50,001/- to ₹2,00,000/-	Maximum AMC ₹100/-
More than ₹2,00,000/-	More than ₹2,00,000/-	Charges as applicable to regular DEMAT accounts.

Annual Maintenance Charges (AMC)

It refers to the charges collected by Depository Participants (DPs) towards maintenance of Demat accounts of the beneficiary owners (Account Holders), depending upon the value of holdings in the Demat account.

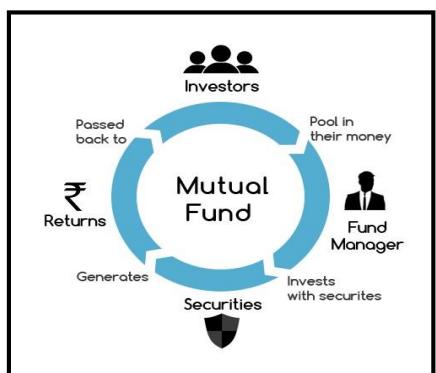
Mutual Fund

A mutual fund pools in money from many investors and invests the money in stocks, bonds, short-term money-market instruments, other securities or assets, or some

combination of these investments. All mutual funds are required to be registered with SEBI before they launch any scheme.

Salient features of mutual funds are:

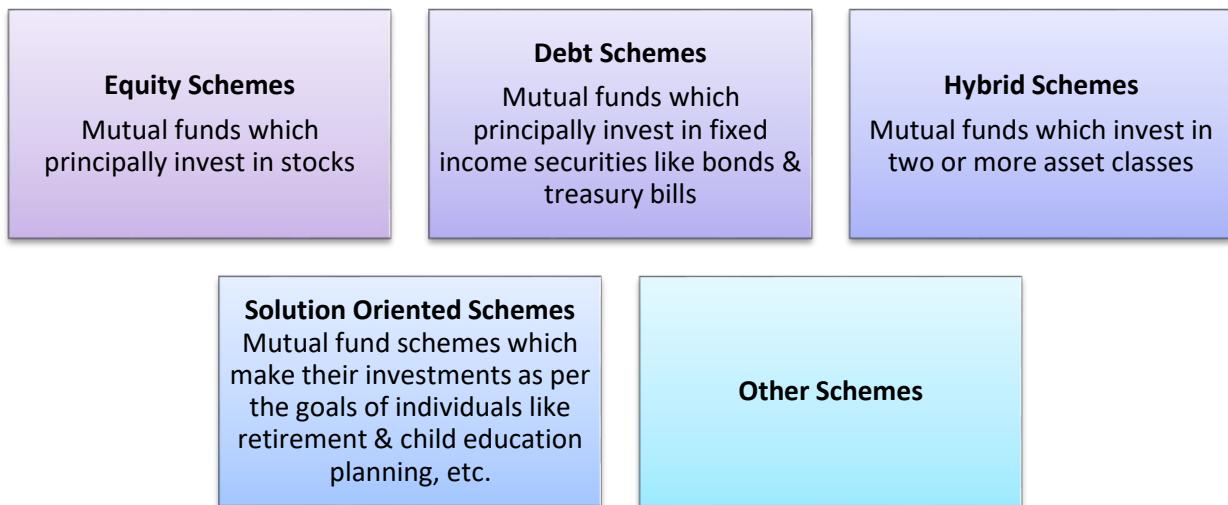
- ✓ **Professional management** - Money is invested through fund managers with proven expertise in the field of investment.
- ✓ **Diversification** - Diversification is an investing strategy that can be summed up as investing small amounts of your money in different investment options like different schemes of mutual funds and holding shares of multiple companies.
- ✓ **Economy of scale** - A mutual fund buys and sells large amount of securities at one go. This makes its transaction cost lower than what an individual would pay for securities transactions.
- ✓ **Liquidity** - Just like individual shares, mutual fund units can be converted into money through sale in the market or through redemption.
- ✓ **Simplicity** - Buying a mutual fund unit is simple and the minimum investment amount required is small.
- ✓ **Tax Benefits** - Different mutual fund categories are subjected to different tax treatments. It is important to understand the tax benefits of a fund before you invest in it.



Mutual funds are segregated in different categories based on the objectives of the mutual fund scheme. The schemes are designed to keep in mind the needs of various types of investors, risk averse investors (basically a conservative Investor who does not want to take high risk), moderate investors (investors who can take some amount of risk) and aggressive investors (investors who are willing to take risk in search of higher returns).

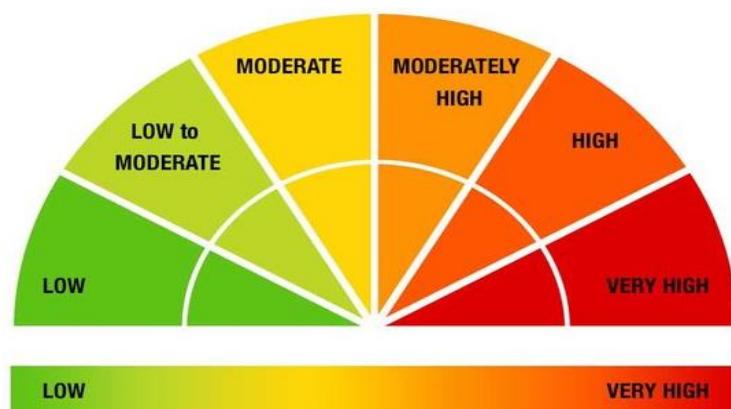
Categorization of Mutual Funds

Mutual funds are broadly categorized into five schemes mentioned as below:

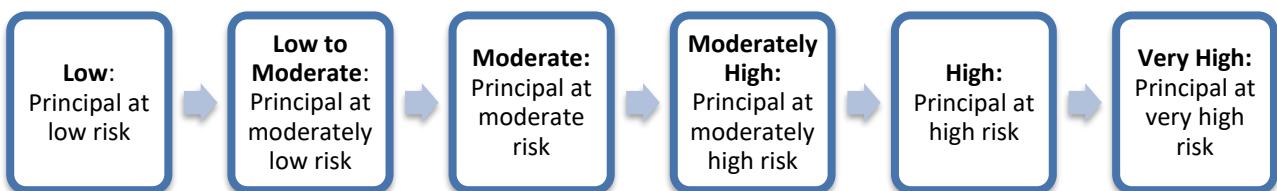


Product Labelling of Mutual Funds

As per SEBI guidelines, mutual funds are to be labelled according to the level of risk involved and the same is to be depicted on the risk-o-meter. The different labels and risk-o-meter are mentioned as below:



Risk-o-meter



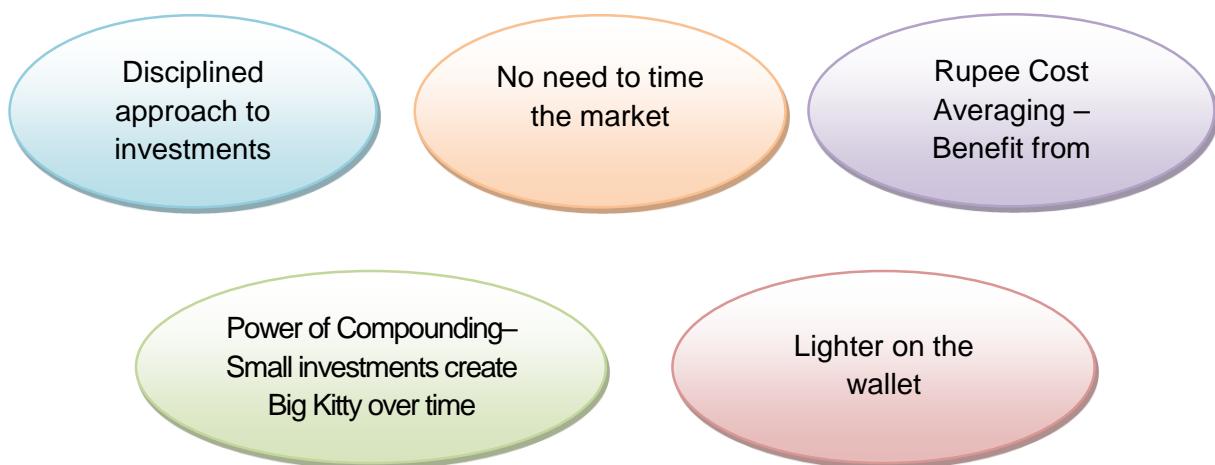
What is Systematic Investment Plan (SIP)?

An SIP or a Systematic Investment Plan allows an investor to invest a fixed amount of money regularly in a mutual fund scheme. It lets you set aside a fixed sum of money at regular intervals (weekly, monthly or quarterly) with an objective to gain capital appreciation in the longer run. SIP investment inculcates the habit of savings. Instead of trying to time the market, by investing on a regular basis, the investor benefits from the

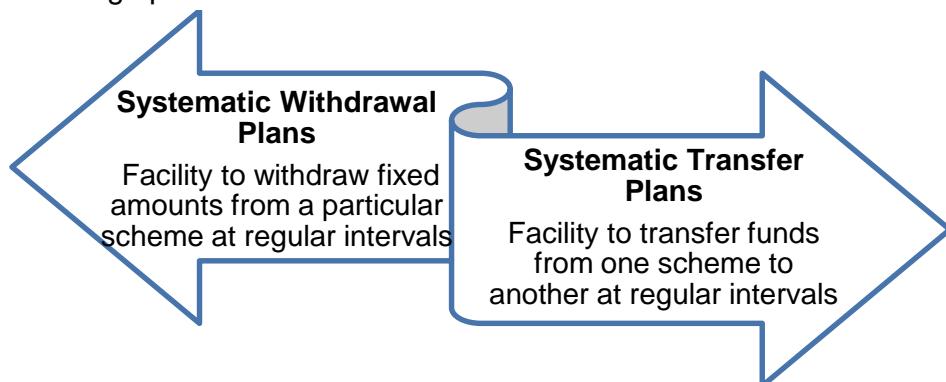
rupee-cost averaging factor. As the investments are done over different market cycles, the investor benefits from the market volatility by getting to buy more units of the same fund when the markets are low and buying less units when the prices are high.

An investor can invest a pre-determined fixed amount as low as ₹500/- in a scheme every month or quarter, depending on his/her convenience through post-dated cheques, through Standing instruction (SI) facility or through ECS (Electronic Clearing Service) facility. Investors need to fill up an application form and SIP mandate form on which they need to indicate their choice for the SIP date (basically when the pre-determined amount will be invested). Subsequent SIPs may be auto-debited through a standing instruction, electronic clearing service or post-dated cheques.

Advantages of SIP



In order to further ease out the investment procedure for the investors, Mutual Funds also offer the following options:



Commodity Derivatives Market

What are commodities?

Commodities are goods with economic value. They are earth's natural products which are produced and traded. They are usually raw materials for further processing. The broad types of commodities are as under:

- ✓ **Agricultural commodities:** Food & non-food crops.
- ✓ **Non-Agricultural commodities:** Metals, Energy, Polymers, etc.
- ✓ **Others:** cattle head, processed foods like juices, etc.

Major commodities are:

Edible oilseed	• Groundnut, Mustard seed, Cottonseed, Soy oil, Crude Palm Oil, etc.
Food grains	• Wheat, Gram, Bajra (Pearl Millet), Maize, etc.
Bullion	• Gold, Silver
Metals & Energy	• Natural Gas, Crude Oil, Copper, Zinc, Aluminium, Lead, Nickel, Steel
Spices	• Turmeric, Pepper, Cumin seed, Cardamom, etc.
Fibres	• Cotton, Jute, etc.
Others	• Castor Seed, Guar seed (Cluster Bean), Guar gum, Rubber, etc.

What is Commodity Price Risk?

Commodity price risk is the price uncertainty that adversely impacts the financial position of those who both use and produce commodities. For example, as the price of steel rises, this increases the cost of automobile production and can negatively impact that producer's profit margins. Similarly, commodity price risk can equally impact producers of a commodity, not just users. If crop prices are low one year, a farmer may plant less of that crop. If prices subsequently rise next year, the farmer will miss out on a potentially profitable crop. This is called commodity price risk. The factors that can affect commodity prices include political and regulatory changes, seasonal variations, weather, technology and market conditions.

Risk Faced by Various Stakeholders

Various stakeholders face many risks in commodity trading, especially farmers, such as:

- ✓ Price volatility and price risk
- ✓ Lack of quality storage facilities
- ✓ Need for finance at the time of sowing of crops
- ✓ Dependence on local middlemen and agents for selling their crops
- ✓ Small farm holdings — no bargaining power
- ✓ Opaque/manipulated prices at Mandis

How to protect against price risk in commodities?

A producer of a commodity is at risk of prices moving lower. Conversely, a consumer of a commodity is at risk of prices moving higher. The producers and consumers of commodities can participate in the commodity derivatives exchange to protect against adverse price movements. The process of protecting against financial loss or price risk is called "Hedging". A hedge will guarantee a consumer the supply of a required commodity at a set price and a producer the known price for commodity output.

Benefits of Commodity Derivative Exchange

Commodity derivative exchange offers following benefits to producers and consumers of commodities:

- ✓ **Price discovery:** Helps producers / sellers and consumers / buyers and also exporters & importers of a commodity to discover price for a future date and helps them take informed decision.
- ✓ **Price risk management:** Helps hedge price risk or insure against adverse price movement and locks-in profit margin.

Commodity Derivative Exchanges

A commodity derivative exchange is an organized, regulated market that facilitates the purchase and sale of contracts whose values are linked to the price of commodities (e.g., wheat, barley, crude oil, gold, etc.).

Typically, the buyers of these contracts agree to accept delivery of a commodity at a price on a future date, and similarly, the sellers agree to deliver the commodity at a price on a future date.

For example, in case of Agricultural commodities, Commodity Derivatives Exchange helps in reducing the price risk, both for the farmers (seller of crop) and the consumer (buyers of crop /food processors) by helping them decide a price today (i.e. at the time of sowing or at the time of harvesting of the crop) for the crop to be delivered in the future. The transaction in the exchange is done through commodity brokers. The settlement of contract to buy and sell is guaranteed by the commodity derivatives exchange.

The trading rules and procedures of recognized Commodity Derivatives Exchanges and Commodity Brokers are regulated by Securities and Exchange Board of India (SEBI) — a statutory body established under SEBI Act, 1992. In India, major commodity derivative exchanges are as follows:

- ✓ **Multi Commodity Exchange of India Ltd (MCX)** — predominantly non-agricultural products like gold, silver, aluminium, copper, nickel, lead, zinc and energy products like crude oil and natural gas are traded on this exchange.
- ✓ **National Commodity and Derivative Exchange (NCDEX)** — predominantly agricultural products like pulses, cereals, sugar, etc. are traded on this exchange.

There are three types of contracts in commodity derivatives market. These are **Forward Contracts, Futures Contract** and **Options**. Forward contract is an agreement between two parties to sell or buy a certain commodity at a fixed price in the future. This contract hedges the risk for the buyer against price fluctuations and the seller can get a guaranteed price for his product at a specified date.

Forward contracts are traded over the counter, while futures contracts are traded on the commodity derivatives exchanges. Forward contracts can be privately negotiated. Futures contract have a standardized way of execution and the transaction is guaranteed by the clearing house of a recognized commodity derivative exchange which minimizes the risk of defaults on the settlement of transaction.

For example, if A has the machinery that produces 10 bales of cotton, he can secure an agreement with B to sell the bales at a certain price after a year irrespective of the price that is trending. This is called hedging the risk. "A" hedges the risk by securing the price and "B" transacts by pre-booking the price expecting that prices would go up in the near future which would benefit him. The payment and delivery of the asset is made on the future date termed as the delivery date. The buyer in the futures contract is known to hold a long position. The seller in the futures contracts is said to be having short position.

An options contract refers to the financial instrument which gives the buyer of the option the right but not the obligation to exercise the option at a predetermined date at a predetermined price. Options contracts are of two types as explained below:

- **Call Option:** Call option gives one the right to buy the underlying security
- **Put Option:** Put option gives one the right to sell the underlying security

Investors are charged a premium when they buy an options contract. On expiry of the contract, generally the transaction is cash settled instead of actually buying/selling the underlying security unlike in the cash market. Hence, many investors find Futures & Options (F&O) cheaper to trade, however, it is riskier than the cash segment because F&O is time dependent and you cannot hold on to the contract till the desired time i.e. when the market is favourable to earn positive returns. On the expiry of the contract, even if you cash settle the contract instead of taking delivery, the change in value of the underlying will be either credited or debited to your account.

How does a farmer do trading in Commodity Derivatives Market?

- To deal with the legal/ logistics/ quality requirements of Derivatives Markets farmers would have to form a society/ trust/ Farmers Producing Organization (FPO), etc.
- Collectively they would have to deposit their produce in the warehouse of the Exchange.
- Quality of the produce for the purpose of standardization to be assayed (checked / tested) by Exchange recognized assayers.
- Exchange would issue a warehouse receipt (Loans can be obtained from banks against these receipts). Exchanges assume responsibility for maintaining the quality of the product for a certain period of time.
- The depositors now have time to check the prices (on the exchange) at which they can profitably sell the produce.
- When the desired price is likely to be realized, the bid is placed at the exchange. Once the order matches with the purchaser's bid, the trade is concluded.
- Farmers have to give delivery on the Exchange platform.
- Funds are given to the farmers upon satisfactory delivery of the commodity.

Do's and Don'ts for investing / trading in securities market

Do's

- ✓ Always consult a SEBI registered Investment Advisor for your investment needs in securities market.
- ✓ Invest in a scheme/product depending upon your investment objective and risk appetite.
- ✓ Insist on a valid contract note/ confirmation memo for trades done within 24 hours of the transaction. Keep track of your portfolio in your Demat account on a regular basis.
- ✓ Read all the documents carefully before signing them.
- ✓ You should carefully note all the charges/ fees/ brokerage that are applicable on your accounts and keep a record of the same.
- ✓ Keep a record of documents signed, account statements, contract notes received and payments made.
- ✓ Periodically review your financial needs / goals and review the portfolio to ensure that the same are possible to achieve.
- ✓ Always pay for your transactions using banking channel, i.e. no dealing in cash.
- ✓ Always keep your information updated. Inform your stock broker / DP whenever there is change in your address or bank details or email ID or mobile number. Since SIM cards now have the feature of getting ported to different service providers, investors may keep same mobile numbers attached with their respective accounts. (Mobile number is the key to all important transactions.)
- ✓ Avail nomination facility for all your investments. Multiple nominations are allowed in Demat accounts.
- ✓ Examine and review your trading account periodically.
- ✓ Regularly check daily SMS and email from Exchange regarding trades done on that day.
- ✓ Regularly check Monthly SMS and email from Exchange regarding funds and securities balances of the investors maintained with the Trading Member.

Don'ts

- ✗ Don't borrow money for investment.
- ✗ Don't deal with unregistered brokers/ other unregistered intermediaries.
- ✗ Don't pay more than the agreed brokerage/charges to the intermediary.
- ✗ Don't execute any document with any intermediary without fully understanding its terms and conditions.
- ✗ Don't sign any blank form or Delivery Instruction Slips.
- ✗ Don't issue general Power of Attorney (PoA) in favour of the Stock Broker/Depository Participant. Exercise due diligence by issuing a very specific one, if you want to issue a PoA.
- ✗ In case of disputes, file written complaint to intermediary/Stock Exchange/SEBI within a reasonable time.
- ✗ Dabba Trading is illegal. Even if it appears that you are saving on costs, do not indulge in Dabba Trading as it offers no benefits of safe and guaranteed trades done on Stock

Exchanges. Dabba trading is essentially informal trading using cash that takes place directly among traders, who bet on stock price fluctuations.

- ✗ Do not rely on making your investment decisions on hot tips as a person who wants to offload securities which may not be marketable may be indulging in it. Disseminating hot tips is also an illegal activity which should be reported to SEBI.
- ✗ Never share your password for online account with anyone. Do change the passwords frequently.
- ✗ Don't fall prey to Ponzi schemes, unregistered chit funds, unregistered collective investment or unregistered deposit schemes.
- ✗ Don't forget to strike off blank spaces in your KYC documents.
- ✗ Don't opt for digital contracts, if you're not familiar with computers.

Grievance Redressal

For redressal of any grievance regarding securities market, please refer to Chapter 12 of this booklet.

Chapter 6 - Insurance Related Products

Insurance

Insurance allows individuals, businesses and other entities to protect themselves against significant potential losses and financial hardship at a reasonably affordable cost. Insurance is a form of risk management, primarily used to manage the risk of an uncertain future loss.

Thus, insurance is a promise of compensation for specific potential future losses in exchange for a periodic payment called premium.



An entity which provides insurance is known as the insurer. A person who buys insurance is known as an insured or the policy holder. The insured receives a contract called the insurance policy which contains details like the conditions and circumstances under which the insured will be financially compensated along with other details related to the insurance policy.

The insurance policies are generally classified into the following:

Scheme and Key Features
Life Insurance - Term Insurance
<ul style="list-style-type: none"> - In event of your unfortunate demise during the policy term, your nominees will receive the "Sum Assured" which you had selected while purchasing the plan. - Active for a fixed period of time (popularly referred to as the "term of the policy").
Life Insurance - Endowment Insurance
<ul style="list-style-type: none"> - A life insurance contract designed to pay a lump sum amount after a specific term (on the maturity of the policy) or on death of the policy holder (insured). - Typical maturities of insurance policies are ten, fifteen or twenty years up to a certain age limit. Some policies also pay out in the case of critical illness.
Life Insurance - Whole Life
<ul style="list-style-type: none"> - Type of life insurance policy which stays active as long as you pay the premiums.
Life Insurance – Unit Linked insurance
<ul style="list-style-type: none"> - Combination of insurance and an investment vehicle. - A portion of the premium paid by the policyholder is utilized to provide insurance coverage to the policyholder and the remaining portion invested in equity and debt instruments.
Personal Accidental cover policy
<ul style="list-style-type: none"> - Insurance plan which provides monetary compensation in the event of bodily injuries or disability or death caused solely by accident.
Motor Insurance
<ul style="list-style-type: none"> - Insurance for cars, trucks, motorcycles and other road vehicles. - Also called as vehicle insurance, car insurance or auto insurance.

Health Insurance

- Insurance coverage that covers the cost of an insured individual's medical and surgical expenses.
- The "insured" is the owner of the health insurance policy or the person with the health insurance coverage.

Travel Insurance

- Insurance for covering against travel risks such as lost or stolen luggage, cancellation cover (if you are not able to travel due to unexpected medical reasons) and most importantly, unexpected medical costs abroad.
- Comprehensive travel insurance policy will provide:
 - Emergency medical cover
 - Losses incurred due to unforeseen cancellations or having to cut your trip short
 - Death and disability cover
 - Personal liability cover
 - Luggage cover

Property Insurance

- Policy that provides financial reimbursement to the owner or renter of a structure and its contents in the event of damage or theft.
- Property insurance can include homeowner's insurance, renters insurance, flood insurance and earthquake insurance.

Group Insurance

- Insurance policy that covers a defined group of people, for example the members of a society or professional association or the employees of a particular employer.

Role of IRDAI (Insurance Regulatory and Development Authority of India)

Insurance Regulatory and Development Authority of India regulates the insurance sector in India. It aims to protect the interests of the insurance policy holders and ensures systematic growth of the insurance industry.

Grievance Redressal

For redressal of any grievance regarding insurance sector, please refer to Chapter 12 of this booklet.

Chapter 7 - Pension, Retirement and Estate Planning

Pension Services

Pension may be described as a regular payment which one aspires to receive regularly, once the person retires from his regular occupation/ job or attain a certain age from which he/ she does not want to work. Pension plans provide financial security and stability during old age when people don't have a regular source of income. Retirement planning ensures that people live with pride and without compromising on their standard of living, during later part of their life. Pension schemes give an opportunity to invest and accumulate savings and get lump sum amount as regular income through annuity plan on retirement.



Being a Pensioner

- No need to open separate account for pension.
- Existing account can be used for receiving pension.
- Pension account can be transferred to another branch or different bank.
- Do remember to submit your 'Life Certificate' to your bank branch in November, every year
- "Jeevan Pramaan" – Digital Life Certificate using Aadhaar and mobile at: www.jeevanpramaan.gov.in.

Bank operations for Old/Sick/Incapacitated Persons

- 1 • If you are unwell, old or physically challenged, you can withdraw money using your thumb impression, in the presence of two independent witnesses known to the bank.
- 2 • In the event you cannot even put your thumb impression and also would not be able to be physically present in the bank, a mark can be obtained on the cheque/withdrawal form which should be identified by two independent witnesses.
- 3 • The bank may also ask you to indicate who would withdraw the amount from the bank on the basis of cheque/withdrawal form as obtained above and that person should be identified by two independent witnesses.

National Pension System (NPS)

NPS aims to institute pension reforms and to inculcate the habit of saving for retirement amongst the citizens. With effect from 1st May, 2009, NPS has been provided for all citizens of the country including the unorganized sector workers on voluntary basis. The subscriber will be allotted a unique Permanent Retirement Account Number (PRAN). This unique account number will remain the same for the rest of the subscriber's life. This unique PRAN can be used from any location in India. NPS is a government approved pension scheme for Indian citizens in the 18-60 age groups.

PRAN will provide access to two personal accounts - Tier I and Tier II with features as mentioned below:

Particulars	Tier I (Mandatory Retirement account)	Tier II (Voluntary Saving Account)
Eligibility	All citizens of India	Anyone with an active Tier I Account
Bank Account	Not mandatory	Mandatory
Liquidity	Certain portion is allowed to be withdrawn from pension account subject to prescribed conditions.	Subscriber is free to withdraw savings from this account whenever the subscriber wants to.
Fund Transfer	Not possible	Funds can be transferred from Tier II to Tier I account
Tax Benefit	Investments in this account are eligible for tax benefits	Investments in this account aren't eligible for tax benefits

Investment Options under the NPS

The subscribers to the NPS choose the investment options in which their contributions have to be invested. Following options are offered by the NPS:

E (Equity): High Return, High Risk option- Fund invests predominantly in equity-oriented investments.

C (Corporate Bonds): Medium Return, Medium Risk option- Fund invests predominantly in fixed income bearing securities other than government securities.

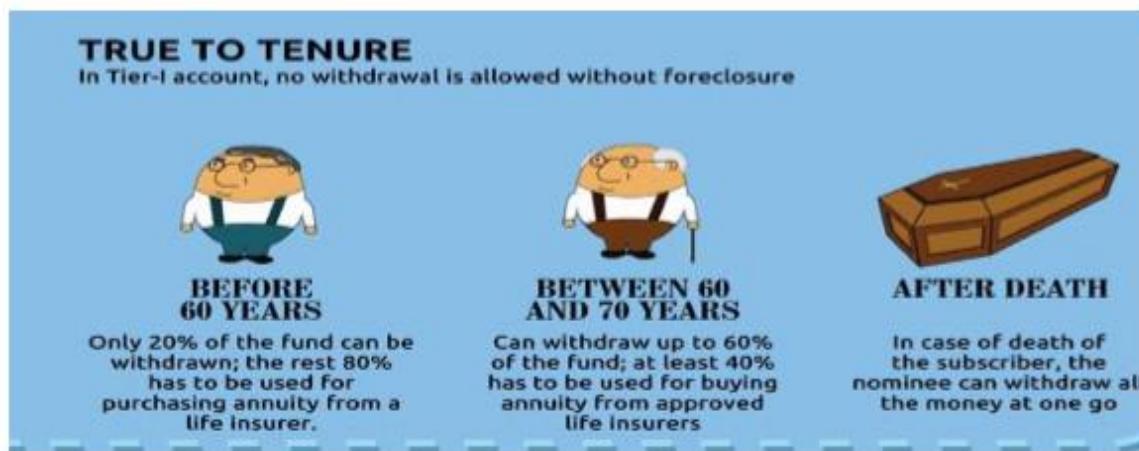
G (Government Securities): Low Return, Low Risk option- Fund invests predominantly in pure low risk government fixed income securities.

A (Alternative Investments): High risk and High return option- Fund invests in Alternative Investment Schemes including instruments like CMBS (Commercial Mortgage-Backed Securities), MBS (Mortgage Backed Security), REITs (Real Estate Investment Trusts), AIFs (Alternative Investment Funds), InvITs (Infrastructure Investment Trusts), etc. This asset class is not available for investment of contribution made under Tier II account.

Active Choice Option - Subscriber can choose the proportion of their funds that may be invested in each of the investment option. This is called the Active Choice. The only restriction is that the proportion invested in asset class E cannot exceed 75 percent and that in asset class A is restricted to 5 percent.

Auto Choice Option - Under this choice the subscriber's contribution will be invested in the lifecycle fund. The lifecycle fund is a dynamic allocation of the subscriber's wealth to the different asset classes in a defined proportion determined by the age of the subscriber, with the exposure to equity decreasing and that to the safer corporate bonds and government securities increasing with the age of the subscriber.

Exit from NPS



Role of PFRDA in Pension Segment

Pension Fund Regulatory and Development Authority (PFRDA) is a statutory regulatory body established by an Act of Parliament of India with the charter to promote, develop and regulate pension sector in India.

Retirement Planning

The transition into retirement is a very unique and dramatic step in life. Yet, the transition into retirement is rarely given the planning or thought it deserves. Everyone wants to lead a comfortable retirement life. Without adequate planning it probably won't happen.

Key Features of Retirement Planning

- ✓ **Start early and retire with financial security:** If you start saving for retirement at age 25, so that you wish to retire by 60, you can invest over 35 years.
- ✓ **Plan wisely:** Set aside some money for medical expenditure and emergency needs after retirement. Allocate your savings towards important financial goals such as children's education and marriage.
- ✓ **Track and review your plan:** The financial plan has to be reviewed at regular intervals to make sure that the plan meets its objectives. Also, you need to

understand and get comfortable with the risks, costs and liquidity of your investments.

- ✓ **Don't dip into your retirement savings:** Don't touch this pool of savings pre-retirement. If you spend money from your retirement kitty to fulfil your present needs, you will lose out big in the long run. The corpus for your retirement will be inadequate.

Estate Planning

Estate planning refers to planning during one's lifetime, earmarking one's assets to beneficiaries, typically family members, loved ones and institutions, so that they can be used/ claimed after one's demise with ease, and without any significant cost. Making a "Will" is an essential part of estate planning. Following are the constituents of estate planning:



Will

It is a written legal declaration of desires to distribute assets of the deceased after his or her demise. This way one can transfer assets to loved ones, according to his or her preferences. By making a Will, one can avoid any feud among beneficiaries over distribution of assets. Making a Will is a simple process.

How to make a Will?

- Make a list of movable and immovable items.
- Decide which asset shall be given to whom (partially or fully).
- Mention the name and details of the person who will execute the Will.
- Preferably, get the Will witnessed by a doctor and lawyer as it gives authenticity to the Will.
- Registration of Will is not compulsory, but preferable.
- You may write the Will on plain paper or take the help of your lawyer in making a Will.

Problems Arising in the Absence of a Will

- Beneficiaries of the distribution of assets and the quantum of benefits to them don't happen in the way you would have liked.
- Asset distribution happens as per personal laws/relationships.
- May lead to expensive litigation among beneficiaries and other claimants.
- Succession disputes could take years to resolve and can be costly. Even in the absence of disputes, the resolution process can be costly and reduce the benefits of the assets inherited.

Nomination

A nominee is a person who receives the right to have custody of the money on the death of the account holder. A nominee is only a custodian of the asset owner's money and

doesn't have any ownership rights. In the absence of nomination, it could be expensive and time consuming for the legal heirs of the deceased to get their money. Is nomination mandatory in case of a Demat account as well? It is not mandatory but advisable; nomination alleviates the problems faced by legal heirs in case of death of account holder. One should always remember to fill in the nomination details while opening any account.

For example, Suresh invests in an FD and nominates his friend, Ramesh as his nominee of his bank FD. On Suresh's death, Ramesh receives the money as his nominee. Ramesh needs to subsequently transfer the entire amount to Suresh's legal heirs; otherwise his heirs will need to claim the amount in the court of Law.

Power of Attorney

Power of attorney is a legal document that allows another person to act on your behalf. It ensures that important matters are dealt with by someone you trust if you are unable to deal with them yourself.

If you aren't able to personally accomplish a task, you may grant someone else — the power to do it for you. This permission can include things like accessing your bank accounts, selling a vehicle, purchasing property or getting a home loan. In fact, your power of attorney can grant your agent the authority to conduct nearly any type of Transaction you could conduct on your behalf.

The person who grants power of attorney to an agent is called the principal, and the principal may use either a general power of attorney or special power of attorney to give power to his or her agent. (Agent means many people to whom the power is given by the principal to act on the behalf of the principal). A general power of attorney gives the agent power to accomplish anything the principal could do, whereas a special power of attorney gives the agent limited powers, such as the power to accomplish a specific transaction.

Procedure to transfer person's wealth and assets after his or her death

After the demise of an individual, his or her legal heirs have to approach various authorities (like banks, depositories, mutual fund companies and Insurance companies) with their claim on the deceased assets. They have to present the death certificate along with legal heir's certificate to these authorities to transfer the assets of the deceased in their name.

If the deceased has made a Will, the assets and the wealth of the deceased will be distributed as per his or her Will. In the absence of a Will, the transfer will be made only to legal heirs.

Grievance Redressal

For redressal of any grievance regarding pension sector, please refer to Chapter 12 of this booklet.

Chapter 8 – Borrowing-Related Products

Borrowing is an act of taking money and paying it back over a period. In meeting financial goals, in case the savings are inadequate, one resorts to borrowing. Borrowing provides the flexibility of repaying in small instalments over a period of time. Equated Monthly Instalments (EMI) is a very popular mode of repayment of loan.



List of Documents required for obtaining Loans:

- Proof of Identity:- Passport/ Aadhaar card/ Driving License / Voters ID / PAN Card (any one)
- Proof of Residence: - Aadhaar Card/ Leave and License Agreement / Utility Bill (not more than 3 months old) / Passport (any one).
- Latest 3 months bank statement (where salary or income is credited).
- Salary slips for last 3 months
- 2 passport size photographs
- Collateral proofs

Collateral is a property or other asset that a borrower offers as a security to the lender in exchange of availing the loan. If the borrower stops making the promised loan repayments, the lender can seize the assets financed and the collateral to cover its losses. A lender's claim to a borrower's collateral is called a lien.

Different Type of Loans Available

The banking institutions provide various types of loans to individuals and business community such as:

Scheme and Key Features
Personal Loan
This loan can be utilized for any purpose, for example, paying debt, marriage expenses or vacation expenditure. No collateral security is required for this type of loan.
Vehicle Loan
This loan is issued for the purpose of purchasing new or second-hand vehicles for personal and commercial uses.
Education Loan
Education loan is required for students and family to meet the financial goal of higher education. Students should have an admission offer from an institution before they apply for education loan.

Gold Loan
Gold loan is given only on providing gold as a security to a bank or any other lending institution.
Housing Loan
Housing Loans are taken by people for a variety of house-related purposes such as construction of a house, house renovation, extension of house, buying of property or land, etc.
Agriculture Loan
Agriculture Loans are provided to farmers to fund agricultural operations or related activities like horticulture, sericulture, etc.
Consumer Durable Loans
Consumer Durable Loans are the loans which may be availed for purchasing of consumer durables like television, refrigerator, etc.

5 Cs in Credit — One Stop Guide to get your Loan Sanctioned

The banks generally follow a conservative approach for processing the loan request of the borrowers. In this analysis, banks consider five elements and these are known as 5 Cs in credit. These are as follows:

Capacity: The prospective lender will want to know exactly how you intend to and what is your capacity to repay the loan.

Character: Lender will form a subjective opinion as to whether or not you are sufficiently trustworthy to repay the loan or generate a return on funds invested in your company.

Capital: Capital is the money you personally have invested in the business and is an indication of how much you have at risk, should the business fail.

Collateral: Banks insist on taking a security in addition to that is created out of loan proceeds.

Conditions: Banks analyse the intended purpose of availing the loan like will the money be used for working capital, additional equipment or inventory, among others.

Credit Score

Credit information agencies play a vital role in decision making in loan application process. After an applicant fills out the application form and hands it over to the lender, the lender first checks the credit score and credit report of the applicant. If the credit score is low, the lender may not even consider the application further and reject it at that point. If the credit score is high, the lender will look into the application and consider other details to determine if the applicant is credit-worthy. The credit score works as a first impression for the lender, the higher the score, the better are your chances of the loan being reviewed and approved. The decision to lend is solely dependent on the lender and credit score or

credit report does not in any manner decide if the loan or credit card should be sanctioned or not.

Credit Information Bureau (India) Ltd (CIBIL) is India's first credit information company, also commonly referred as a credit bureau. CIBIL collects and maintains records of individuals' and non-individuals' (commercial entities) payments pertaining to loans and credit cards. These records are submitted to CIBIL by banks and other lenders on a monthly basis; using this information a Credit Information Report (CIR) and credit score is developed, enabling lenders to evaluate and approve loan applications. A credit bureau is licensed by the RBI and governed by the Credit Information Companies (Regulation) Act of 2005. The Reserve Bank of India requires all credit bureaus to give one free full credit report, every year, to all consumers.

Tips to Avoid 'Debt Trap'

Tip 01: Debt can be managed with the right mind set and discipline. Do not buy more than what you can afford. Do not get lured into 'WANT' items.

Tip 02: Getting the maximum mortgage loan tenure does not necessarily mean we need to take as long to repay.

Tip 03: Realize that credit cards should only be used to facilitate payment and not as a means to borrow money.

Tip 04: Never treat credit cards as free money.

Tip 05: Stop all the activities that result in debt. Change your lifestyle to accumulate more savings.

Tip 06: Use a debit card instead of a credit card. It eliminates the risk of spending beyond your means.

Tip 07: Spend within your means, buy things you can afford to pay.

Chapter 9 - Government Schemes for Various Savings & Investment Options

A. Government Schemes



Government of India accepts deposits from the public and some of them are also tax saving instruments. National Savings Certificates, Kisan Vikas Patra, Post Office Savings Certificates, Sukanya Samriddhi Deposit, PPF, etc. are some of the examples of various schemes run by Government of India. These schemes have different durations for investments and carry specific interest rates.

The details of latest schemes are as follows:

Schemes and Features
Sukanya Samriddhi Yojana
<ul style="list-style-type: none"> Objective: To promote the welfare of the girl child. Who can open the account: A natural or legal guardian on behalf of a girl child where child's age is 10 or less. Maximum number of accounts: Up to two girl children, or three in case of twin girls as second birth, or the first birth itself results in three girl children. Tax deduction: As applicable under Section 80C of the Income Tax Act, 1961. Premature Closure: Allowed in the event of death of the depositor or on compassionate grounds such as medical support in life threatening diseases and is authorized by an order of the Central Government of India. Irregular payment/ Revival of account: By payment of penalty amount Mode of Deposit: Cash/Cheque/Demand Draft/digital payment Withdrawal: A certain portion of the balance lying in the account as at the end of previous financial year for the purpose of higher education and marriage after attaining the age of 18 years.
Pradhan Mantri Jan Dhan Yojana (PMJDY)
<ul style="list-style-type: none"> Objective: Launched in August 2014 by Government of India to ensure financial inclusion of every individual who does not have a bank account in India. To provide access to financial services, namely, banking, savings and deposit accounts, remittance, credit, insurance and pension in an affordable manner to all. Accounts can be opened with any bank branch or Business Correspondent (Bank Mitra). Facilities provided with the account opened: <ul style="list-style-type: none"> ✓ Zero balance account ✓ RuPay debit card

- ✓ Accidental insurance cover and a life cover of certain amount with payment on the death of the beneficiary (subject to conditions).
 - ✓ Overdraft facility up to a certain amount. This facility is available against one account per household.
 - ✓ Mobile banking facility for checking balance and transferring funds with ease across India.
 - ✓ Interest earned on the deposits.
 - ✓ Not mandated to have a minimum balance in the account.
 - ✓ Direct Benefit Transfer for beneficiaries of government schemes.
 - ✓ Easy access to pension and insurance products.
- To get a cheque book, the individual will have to fulfil minimum balance criteria.
- * Overdraft is a facility available to bank customers wherein they can take a short term loan from bank to meet their urgent requirements with promise to pay back the same amount in the timelines agreed between the bank and the customer.

B. Basic Insurance Schemes Run by Government of India

1. Pradhan Mantri Suraksha Bima Yojana

- Provides accidental insurance cover to bank account holders in the age group of 18 to 70 years.
- A fixed annual premium is deducted from the bank account of the insured through auto—debit facility.
- Person would be eligible to join the scheme through one savings bank account only.
- Insurance covers permanent and partial disability due to accident.

2. Pradhan Mantri Jeevan Jyoti Bima Yojana

- Provides life insurance cover to bank account holders in the age group of 18 to 50 years.
- A fixed annual premium is deducted from the bank account of the insured through auto—debit facility.
- Person would be eligible to join the scheme through one savings bank account only.

3. Pradhan Mantri Jan Aarogya Yojana -Ayushman Bharat

- Provides healthcare facilities targeting poor, deprived rural families and identified occupational category of urban workers' families.
- There is no restriction on family size, age or gender.
- All members of eligible families, as present in SECC (Socio-Economic Caste Census 2011) database, are automatically covered.
- No money needs to be paid by the family for treatment in case of hospitalization.
- All pre-existing conditions are covered from day one of the policy. The benefit cover will include pre & post hospitalization expenses. You can go to public or empanelled private hospitals across the country and get free treatment.

4. Pradhan Mantri Fasal Bima Yojana

- Crop insurance scheme aimed at shielding farmers from the crop failure through insurance.
- In the event of a crop loss, the farmer will be paid based on the difference between the threshold yield and the actual yield. The threshold yield is calculated based on average yield for the last seven years and the extent of compensation is set according to the degree of risk for the notified crop.
- The scheme is compulsory for farmers who have availed of institutional loans.
- The scheme insures farmers against a wide range of external risks like droughts, dry spells, floods, inundation, pests and diseases, landslides, natural fire and lightning, hailstorms, cyclones, typhoons, tempests, hurricanes and tornadoes.
- Scheme covers post-harvest losses up to a period of 14 days.

C. Other savings/ insurance schemes run by Government of India

Kisan Vikas Patra

- Small saving certificate scheme from India Post designed to double the investment after a predetermined time.
- Objective is to inculcate long term financial discipline in people.
- Minimum amount for opening is ₹1000/- and in multiples of ₹100/-, no maximum limit.
- Certificate can be purchased by adult and also minors above 10 years of age.
- Can be purchased from post office.

Public Provident Fund (PPF)

- Tax free savings scheme offered by the Government of India.
- PPF account can be opened with either a post office or with any nationalized or private bank.
- Joint account cannot be opened and only one account can be opened by a citizen in India along with nomination facility.
- Investments made in the PPF account during a particular financial year are available to claim deduction under Section 80C of Income Tax Act up to a certain limit.
- Investors can also avail loans against a particular amount of their investments made in PPF account subject to other conditions of the scheme.

National Savings Certificate (NSC)

- A Government of India initiative, primarily to invest while saving on income tax.
- Can be opened from any post office and NSCs will be issued in shape of Passbook.
- Joint account allowed, can be opened by an adult on behalf of a minor.
- Deposits qualify for tax rebate under Sec. 80C of IT Act.

D. Pension Schemes run by Government of India

Atal Pension Yojana (APY)

- Pension oriented savings scheme focused on the citizens in the unorganized sector. It may be opened for all bank account holders.
- Objective is to provide a fixed amount of pension to unorganized sector workers, who find no coverage under other social security schemes.
- Minimum age of joining the APY is 18 years and the maximum age is 40 years.
- Exit before 60 years is not generally permitted except for in the event of death of the beneficiary or a terminal disease. However, the spouse can continue with the scheme after the death of the beneficiary.

E. Borrowing related schemes of Government of India

Educational Loans through Vidyalakshmi Portal

- Objective is to provide easy and effective system of getting educational loans so that no student leaves his or her education mid-way due to lack of funds.
- The web address of the portal is www.vidyalakshmi.co.in.
- The students get information about educational loan schemes of banks.
- Common educational loan application form is available for students.
- There is a provision to apply to various banks for educational loans through a single form.
- The site is linked to the national scholarship portal for information and to apply for government scholarship.
- The students can view the status of their loan application at any time and at any place with an easy access to the dashboard facility of the website.

Prime Minister Awas Yojana

- Credit Linked Subsidy Scheme (CLSS) for Lower Income Groups/Economically Weaker Sections (EWS/LIG) and Middle Income Groups.
- Individuals are eligible to avail subsidy through this scheme only when they are purchasing their first house or it is a new construction.
- In case a family has already availed of central assistance under any housing scheme in the past or they already own a house in India, either in their name or in the name of a family member or their spouse is also claiming interest subsidy for a house; then they will not be eligible to avail subsidy under this scheme.
- Property purchased needs to be in compliance with the guidelines as prescribed by the scheme from time to time.

Pradhan Mantri Mudra Yojana (PMMY)

- Government of India scheme that offers business loans to proprietors or entrepreneurs of small & medium enterprises.

- Loan schemes offered under PMMY: SHISHU, KISHOR and TARUN depending upon the amount of loan availed.
- Eligibility: The borrowers must be from the following Non-corporate Small Business Segment: Proprietorship; Partnership firms; Small manufacturing units; Service sector units; Shopkeepers; Fruit or vegetable vendors; Truck operators; Food service units; Repair shops; Machine operators; Small industries; Food processors; Other industries in rural and urban areas.
- Key Documents required to avail such loans are: Proof of Identity, quotation of items purchased and category certificates.

Stand up India

- Scheme for financing SC/ST and/or Women Entrepreneurs above 18 years of age.
- Objective is to facilitate bank loans to the above mentioned target groups.
- Purpose of loan is for setting up a new enterprise in manufacturing, trading or services sector.

Chapter 10 - Tax Saving Options

Income tax is that percentage of your income that you pay to the government so that it can fund its many expenses such as infrastructural development, pay the salaries of those employed by the state or central governments, etc. All taxes are levied based on the passing of a law, and the law that governs the provisions for our income tax is the Income Tax Act (IT Act), 1961 as amended by subsequent Finance Acts.



Income tax has to be paid by every individual person, Hindu Undivided Family (HUF), Association of Persons (AOP), Body of Individuals (BOI), corporate firms, companies, local authorities and all other artificial juridical persons that generate income.

Taxes are calculated on the annual income of a person, and an annual cycle (year) as per the Income Tax law starts on the 1st of April and ends on the 31st of March of the next calendar year. The law recognizes and classifies the years as "Previous Year" and "Assessment Year". The year in which income is earned is called the previous year and the year in which it is charged to tax is called the assessment year.

Deductions allowed under Income Tax Act

Section	Key features
Section 80C	<ul style="list-style-type: none"> Deduction for money invested in life insurance, provident fund, ELSS schemes of mutual fund, Special Bank Deposits of 5 year term, contribution to NPS account (Tier 1 account only), National Savings Certificate, principal repayment of housing loan, etc.
Section 80CCD (1 B)	<ul style="list-style-type: none"> In addition to deduction claimed under Section 80C. Investment in NPS by any individual is available for claiming deduction under Section 80CCD (1B) of the IT Act. Amount available for deduction under this section is over and above the amount available for claiming deduction under Section 80C of IT Act.
Section 80D	<ul style="list-style-type: none"> Individuals are eligible to claim deductions for medical insurance availed for self, spouse, dependent parents and dependent children.
Section 80G	<ul style="list-style-type: none"> Donations to National Children Foundation, University or educational institutions of national importance, Prime Minister's Relief Fund, charitable institutions, etc. are deductible from the taxable income.
Section 80TTA	<ul style="list-style-type: none"> Interest on savings account is taxable. However, tax charged on interest earned on savings bank account is eligible to be claimed as a deduction under section 80TTA, subject to limits on the

	amount claimed as deduction and other conditions specified from time to time. <ul style="list-style-type: none">• Available only to individual or HUF.• Applicable for savings bank account, post office or cooperative banks.
Section 24	<ul style="list-style-type: none">• Interest paid on housing loan availed for purposes of acquisition of property, construction of property or repair of property.• Applicable on housing loans availed after April 1, 1999.

- * The last date to file Income Tax Returns for an Individual is 31st July of each financial year.
- * However, the relevant dates for filing income tax returns and other deductions and details related to Income Tax Act are subject to change; therefore, readers are advised to regularly check latest provisions and guidelines issued by Government from time to time.

Chapter 11 - Caution against Ponzi Schemes and Unregistered Investment Advisers

Ponzi Schemes

Ponzi Schemes are named after Charles Ponzi, who constructed one such scheme at the beginning of the 20th century. Of course the concept was well known prior to Ponzi's rise to infamy. A Ponzi scheme is a fraudulent investment scheme promising high rates of return to investors. The scheme generates returns for earlier investors from their own money or money paid by subsequent investors, rather than any actual profit earned. The perpetuation of the returns that a Ponzi scheme advertises and pays requires an ever-increasing flow of money from investors to keep the scheme going.



The Ponzi scheme usually attracts new investors by offering returns that other investments cannot guarantee, in the form of short-term returns that are either abnormally high or unusually consistent. As more investors become involved, the likelihood of the scheme coming to the attention of authorities increases. It has been the typical experience that promoter then vanishes, taking all the remaining investors' money. Such schemes typically collapse under their own weight as fresh investments slow down and the promoter starts having problems paying the promised returns.

The system is destined to collapse because the earnings, if any, are less than the payments to investors. Sometimes, the authorities are able to clamp down on such schemes before they collapse because they act on suspicion of a scheme being a Ponzi scheme.

How to spot one?

Here are few tips that help you to spot a Ponzi scheme:

High returns with little or no risk

Every investment carries some degree of risk. Higher the return, higher is the risk involved. Be highly suspicious of any guaranteed high return investment opportunity.

Overly consistent returns

Investments tend to go up and down over time. Be sceptical about an investment that regularly gives positive returns regardless of overall market conditions.

Unregistered investments

Ponzi schemes typically involve investment schemes that are not registered with the regulators or any government agency for their activity. Registration is important because it provides investors with access to information about the company's management, products, services and finances.

Unlicensed sellers

Any investment scheme requires to be registered with concerned authority and state securities laws require investment professionals and firms to be licensed or registered. Most Ponzi schemes involve unlicensed individuals or unregistered firms.

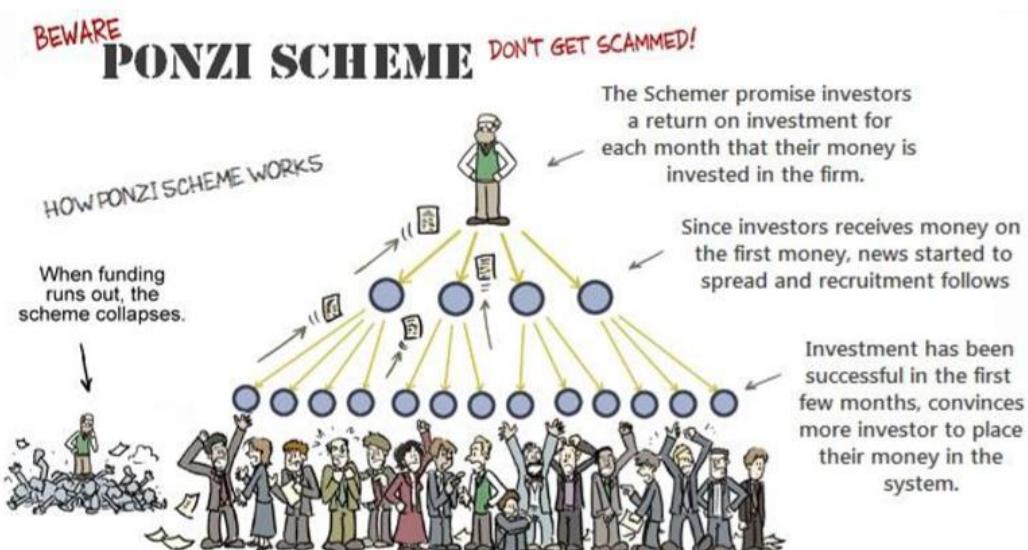
Non-transparent disclosure

Avoid investments if you don't understand them or can't get complete information about them. Account statement errors may be a sign that funds are not being invested as promised.

Difficulty in receiving payments

Be suspicious if you don't receive a payment or have difficulty cashing out. Ponzi scheme promoters sometimes try to prevent participants from cashing out by offering even higher returns for staying invested.

Structure of Ponzi / Pyramid Schemes



Protection from fraud

Recently, in India, many of the investors lost money because of the operation of unregistered entities offering investment schemes. The Sharada Chit Fund Scam in West Bengal and the illegal mobilization of funds by Sahara firms are relevant examples. One needs to caution himself or herself about the operation of fraudulent agencies luring investors by offering higher returns within a short period. You can keep your money safe by being aware of these risks.



MASS MARKETING FRAUD

You receive a fraudulent email that looks like it comes from a legitimate company, asking you to click on a link that brings you to a fake website. To be safe, never invest, donate or make purchases on the phone unless you can validate the company's existence.



INVESTMENT FRAUD

Someone recruits you to invest in a business or to buy merchandise to sell. You are expected to recruit new members. After a while, new people stop joining. That's when the promoters vanish, taking your money with them.

LOTTERY SCAM

"Congratulations! You've won the lottery/sweepstakes/big prize! All you have to do to claim your prize is send a small fee or tax payment." Legitimate contests don't charge fees for you to collect your prize.



CREDIT AND DEBIT CARD FRAUD

Credit card and debit card fraud happen when someone uses your card, card information or personal identification number (PIN) without your permission. Never share your PIN with anyone.



AFFINITY FRAUD

Fraudsters can win your trust more easily if you're part of a group of people who share a common cause, such as a religious or social organization. Scammers may ask investors to keep the matter quiet.

Tip#01

Never fall for a deal that is too good to be true. If you do not understand what the product is all about and how your money will be invested, do not buy.

Tip#02

Do not invest in unfamiliar products just because the returns appeals to you. Do thorough research on the company's background and financial performance. Weigh your risk appetite against the products that you are investing.

Caution against Unregistered Investment Advisers

SEBI registers Investment Advisers under SEBI (Investment Advisers) Regulations, 2013 [Last amended on July 03, 2020]. "Investment Adviser" means any person, who for consideration, is engaged in the business of providing investment advice to clients or other persons or group of persons and includes any person who holds out himself as an investment adviser, by whatever name called.

The aim of the Regulation is to regulate "investment advice" which refers to advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, verbal or through any other means of communication for the benefit of the client and shall include financial planning: Provided that investment advice given through newspaper, magazines, any electronic or broadcasting or telecommunications

medium, which is widely available to the public shall not be considered as investment advice for the purpose of these regulations. Investment Advisers are supposed to obtain registration from SEBI and follow the Code of Conduct.

It is illegal to act as Investment Adviser without SEBI registration. SEBI is making concerted efforts to stop such illegal activity. Some unscrupulous and ignorant entities may not get themselves registered and, or, may not follow the Code of Conduct. Investment Advisers have to limit themselves to giving advice and they should not handle cash or securities.

Some of the malpractices in connection with the activities of registered and unregistered entities acting as Investment Advisers (IA), as reported to SEBI comprise of the following:

- Assured returns being offered by the investment advisers to the clients.
- Charging exorbitant fees from client with a false promise of handsome returns.
- Mis-selling by IA without adhering to the risk profile of the client, to earn higher fees. On receiving complaints for refund of fees from client for loss incurred, IA offer higher risk products to clients with a promise that they will recover their losses.
- Trading on behalf of the clients.
- Automatically upgrading or changing the service to higher risk products, not matching with the client profile and without the consent of the client.
- Poor service by the IA causing loss of money to the clients.
- Refund related issues.

Investors therefore need to be aware and guard themselves against above mentioned practices present in the market and deal with caution with entities claiming expertise in capital markets. Investors are advised to take advice for investment only from entities registered under SEBI (Investment Adviser) Regulations, 2013 [Last amended on July 03, 2020].

The list of such entities is available at the following website: <https://www.sebi.gov.in>.

Dos and Don'ts While Dealing with Investment Advisers

Do's	Don't's
<ul style="list-style-type: none"> ✓ Always deal with SEBI registered Investment Advisers (IAs). ✓ Check for SEBI registration number. The list of all SEBI registered Investment Advisers (IAs) is available on SEBI website (https://www.sebi.gov.in) ✓ Ensure that the Investment Adviser has a valid registration certificate. ✓ Pay only advisory fees to your Investment Adviser. ✓ Make payments of advisory fees through banking channels only and maintain duly signed receipts mentioning the details of your payments. ✓ Always ask for your risk profiling before accepting investment advice. ✓ Insist that Investment Adviser provides advisory strictly on the basis of your risk profiling and take into account available investment alternatives. ✓ Ask all relevant questions and clear your doubts with your Investment Adviser before acting on advice. ✓ Assess the risk—return profile of the investment as well as the liquidity and safety aspects before making investments. ✓ Insist on getting the terms and conditions in writing duly signed and stamped. Read these terms and conditions carefully particularly regarding advisory fees, advisory plans category of recommendations, etc. before dealing with any Investment Adviser. ✓ Be vigilant in your transactions. ✓ Approach the appropriate authorities for redressal of your doubts / grievances. Inform SEBI about Investment Advisers offering assured or guaranteed returns. 	<ul style="list-style-type: none"> ✗ Do not deal with unregistered entities. ✗ Don't fall for stock tips offered under the pretext of investment advice. ✗ Do not give your money for investment to the Investment Adviser. ✗ Don't fall for the promise of assured returns. ✗ Don't let greed overcome rational investment decisions. ✗ Don't get carried away by luring advertisements or market rumours. ✗ Avoid doing transactions only on the basis of phone calls or messages from any Investment Adviser or its representatives. ✗ Don't take decisions just because of repeated messages and calls by Investment Advisers. ✗ Do not fall prey to limited period discount or other incentives, gifts, etc. offered by Investment Advisers. ✗ Don't rush into making investments that do not match your risk taking appetite and investment goals.

Chapter 12 - Grievance Redressal Mechanism

A. SCORES (SEBI COMplaints REDress System)

SEBI launched a centralized web based complaints redressal system “SCORES”. The purposes of SCORES is to provide a platform for aggrieved investors whose grievances, pertaining to securities market, remain unresolved by the concerned listed company or registered intermediary after being approached directly. Whenever an individual entity faces an issue, he or she has to first contact his or her company, exchange or broker for filing his complaint. If he is not satisfied with the resolution provided to him or has not received any response from his concerned company, exchange or broker where he has filed his complaint, then he can directly file his complaint on SCORES.

For filing a complaint on SCORES, you may either access <http://scores.gov.in> or download SCORES Mobile Application. An investor may lodge a complaint on SCORES within three years from the date of cause of complaint. In case an investor fails to lodge a complaint within the stipulated time, he may take it up with the entity concerned or in the appropriate court of law. You have to first register on SCORES before lodging your complaint. If you already have a username and password, then click on the “Register/ login to lodge complaints”. If you are a first time user, then click on "Register Here" under the title "Not Registered yet?" and enter your personal details such as name, address and mobile number. Then, you will have to select a category among the following options: Listed companies/registrar & transfer agents; Brokers /stock exchanges; Depository participants/depository; Mutual funds; other entities and Information to SEBI. Now you should enter specific details of the complaint in the specified category. After the data is entered in all the headings, you may file your complaint by confirming the same.

The complaint is then examined by SEBI to see if the subject falls under its purview. If it does, SEBI forwards it to the concerned entity with an advice to send a written reply to the investor and file an action-taken report within the stipulated timelines.

Supporting documents

Supporting documents up to 2 MB can be attached in the PDF format. In case the data to be uploaded for each category is more than 2 MB, it can be sent by post to any SEBI office.

Registration number

On filing the complaint, a unique registration number will be generated, which can be used for future communication. An e-mail with the complaint registration number will also be sent to the e-mail ID added in the complaint registration form.

View complaint status

You can check your complaint status by logging in to your account. In case of physical complaints sent to SEBI, enter the password sent to you by SEBI in the acknowledgement letter and then you can check your complaint.

Before using SCORES, you should try to contact the person or company that is the cause of your complaint. You might be able to resolve your problem more quickly by speaking to them directly rather than waiting for a response to your complaint.

Matters that are not considered as complaints in SCORES



SEBI SCORES Mobile Application



SEBI has launched SCORES mobile app to facilitate the investors to lodge their grievances at the convenience of their smart phones. The App has all the features of SCORES which is presently available electronically where investors have to lodge their complaints by using internet. After mandatory registration on the App, for each grievance lodged, investors will get an acknowledgement via SMS and e-mail on their registered mobile numbers and e-mail ID respectively. Investors can, not only file their grievances but also track the status of their complaints. Investors can also key in reminders for their pending grievances. Investors can access the FAQs on SCORES for better understanding of the complaint handling process. Connectivity to the SEBI Toll Free Helpline number has been provided from the App for any clarifications/help that investors may require.

The Mobile App "SEBI SCORES" is available on both iOS and Android platforms.

B. SEBI Help Line - Toll-free Helpline Service for Investors

To facilitate replies to various queries of the general public, on matters relating to securities market, SEBI has undertaken a new initiative and launched toll free helpline service numbers, viz. 1800 266 7575 or 1800 22 7575.

The toll free helpline service is available to investors from all over India in 8 languages. The toll free helpline service is available on all days from 9:30 a.m. to 5:30 p.m.

Guidance Pertains to the Following:

The following services/ answers to questions are provided to the investors on the toll free helpline number:

- Status of companies - whether unlisted, sick, delisted, liquidated /wound up, etc.
- Changes in names of companies pursuant to amalgamation/merger/demerger, etc.
- Details of Registrar and Share Transfer Agent (RTA) of a listed company.
- Details and Information on names and addresses of various registered intermediaries of SEBI.
- Where to get information on regulatory action taken by SEBI?
- Where to get information on corporate action like dividend, bonus, rights issue, etc.?
- Where to get latest Net Asset Value (NAV) for a mutual fund Scheme?
- How to lodge a complaint with SEBI?
- Against whom to lodge a complaint on SCORES?
- Status of complaint lodged with SEBI.
- Names and addresses of various Registrar of Companies, official liquidators, National Company Law Tribunal (NCLT), etc.
- The regulators/authorities whom the investor has to approach for redressal of their grievances that are not under SEBI purview. For example, RBI, IRDAI, PFRDA and MCA.

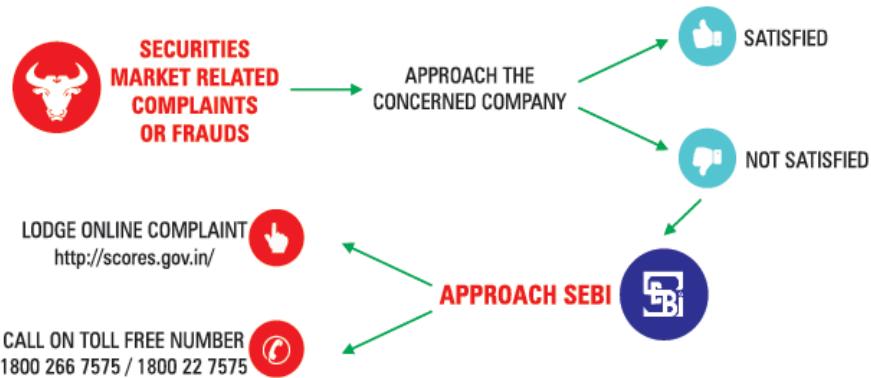
Assistance in procedures viz: –

- How to open Demat/client account, etc.?
- Transfer of shares.
- Transmission of shares.
- Documents required for transfer/transmission of shares.
- Information on what to do if shares are lost/forged/fake.
- Procedure for applying for duplicate shares.
- How to apply in an IPO?
- Names and address of companies who have filed their offer documents with SEBI.

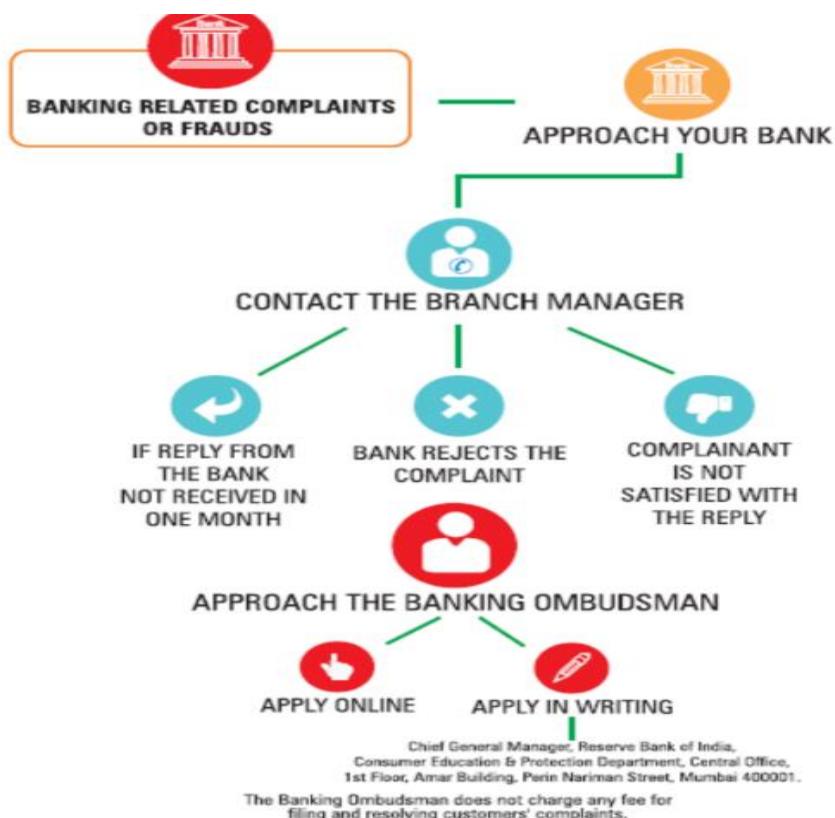
The helpline service does not offer any legal opinion or investment advice to the investors.

For any queries/ feedback or assistance, you may also contact 022-26449188/ 26449199/40459188/40459199 or send e-mail to sebi@sebi.gov.in

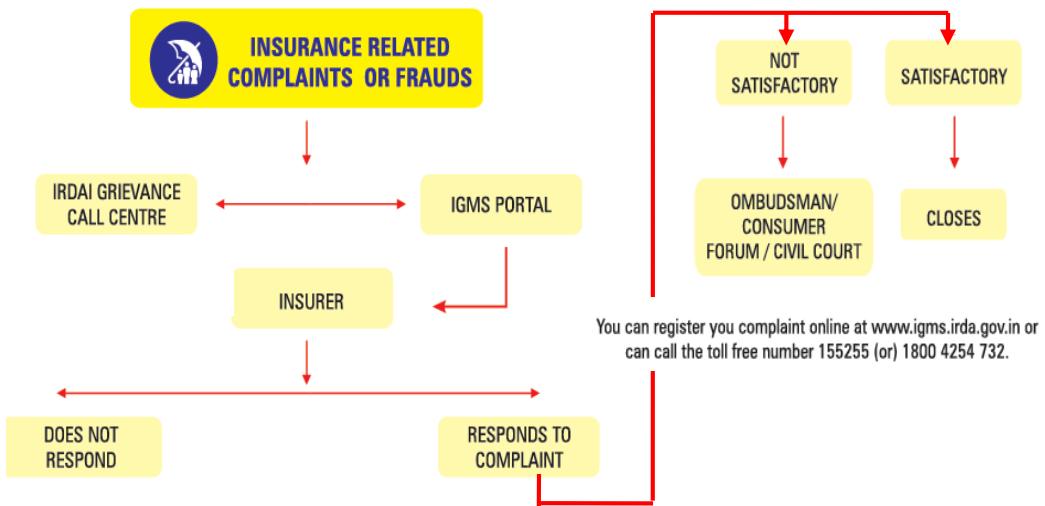
C. Grievance Redressal- Securities Market



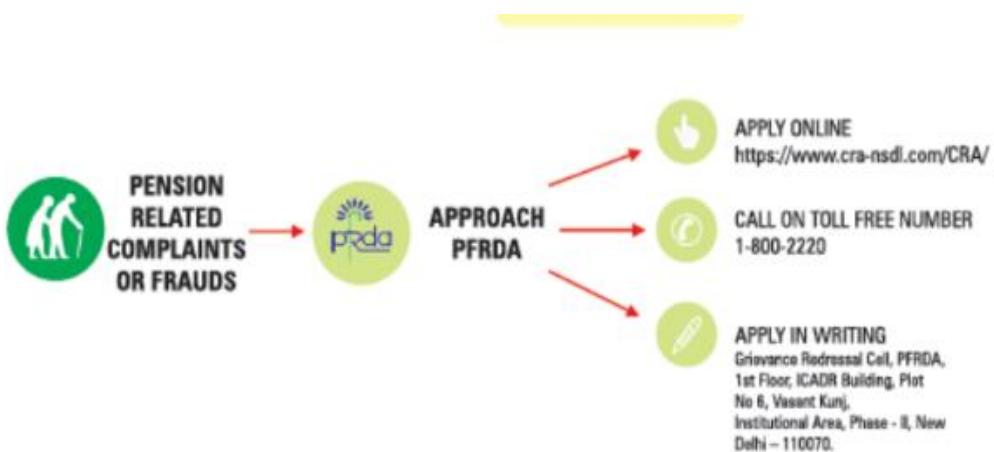
D. Grievance Redressal - Banking Industry



E. Grievance Redressal - Insurance Industry



F. Grievance Redressal - Pension Industry



Chapter 13 - Grievance Redressal Agencies

S. No	Category of activity (whether Registered/ Unregistered)	Concerned Regulator/ Authority
1.	Mobilization of Deposits by Non- Banking Finance Companies.	Reserve Bank of India
2.	Nidhi or mutual benefit society.	Reserve Bank of India
3.	Gold saving schemes launched by jewellers.	MCA / Reserve Bank of India
4.	Deposits accepted by Companies under Section 73 of the Companies Act	Ministry of Corporate Affairs (MCA)
5.	Schemes offered by Cooperative Societies	State Governments
6.	Chit Fund Business	State Governments
7.	Multi-Level Marketing /Pyramid Marketing schemes	State Governments
8.	Contract of Insurance	Insurance Regulatory and Development Authority of India (IRDAI)
9.	Unit Linked Insurance Plan	Insurance Regulatory and Development Authority of India (IRDAI)
10.	Pension Scheme or Insurance Scheme framed under EPF	Pension Fund Regulatory and Development Authority (PFRDA) or, Insurance Regulatory & Development Authority of India (IRDAI)
11.	New Pension System	Pension Fund Regulatory and Development Authority (PFRDA)
12.	Housing Finance Institutions	National Housing Bank
13.	Grievances against companies, intermediaries in securities market, etc.	Securities and Exchange Board of India www.scores.gov.in . SEBI Helpline — Toll free Helpline number 1800 266 7575 or 1800 22 7575

Chapter 14 - About SEBI



Securities and Exchange Board of India (SEBI) is a statutory body set up by the Parliament of India in 1992 to protect the interests of investors and to regulate and develop the Indian securities market. It started operations in 1988 through an order of Government of India. The key functions of SEBI are focused upon development of Indian securities market, regulation of various intermediaries in the securities market and protection of the interests of investors. It is head quartered in Mumbai with regional offices in Delhi, Kolkata, Chennai and Ahmedabad and various local offices across different States.

Buying and selling of shares takes place in the stock exchanges through stock brokers. These intermediaries in securities market can function only if they are registered with SEBI. They are also required to follow the rules, regulations and guidelines laid down by SEBI to protect the investors. Similarly, SEBI also regulates other participants in the capital market like stock exchanges, brokers, depositories, depository participants, portfolio managers, merchant bankers, share transfer agents, etc.

Mutual funds collect money from different investors and then invest that money in various schemes as per the choice of the investors. They are governed by rules formulated by SEBI. Mutual Funds have to disclose details of the scheme, where they will invest money, the fees charged from the investor, etc. They also have to make periodic disclosures for the benefits of investors as mandated by SEBI. SEBI also educates investors and facilitates redressal of their grievances.

For details on functions of SEBI and other information please visit their official website www.sebi.gov.in.

Chapter 15 - Contact Details of SEBI Offices, Exchanges and Depositories in India

SEBI - HEAD OFFICE SEBI BHAVAN

Plot No.C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051

•**Tel:** +91-22-26449000 / 40459000 •**Fax:** +91-22-26449019-22 / 40459019-22

•**E-mail:** sebi@sebi.gov.in

Interactive Voice Response System (IVRS):

•Tel: +91-22-26449950 / 40459950

Toll Free Investor Helpline: 1800 22 7575, 18002667575

Contact Details of SEBI Regional Offices	
(North Zone) Northern Regional Office :	(South Zone) Southern Regional Office :
NBCC Complex, Office Tower-1, 8th floor, Plate B, East Kidwai Nagar, New Delhi-110 023	The Regional Director, Overseas Towers, 7th Floor, 756-L, Anna Salai, Chennai-600002.
Tel. Board: +91-11-23724001-05 Fax: +91-11-23724006. E-mail : sebinro@sebi.gov.in	Tel: +91-44- 28880222 / 28526686 Fax: +91-44 -28880333 E-mail : sebisro@sebi.gov.in
(East Zone) Eastern Regional Office :	(West Zone) Western Regional Office :
The Regional Director, L&T Chambers, 3rd Floor, 16 Camac Street, Kolkata-700 017	SEBI Bhavan Western Regional Office Panchvati 1st Lane, Gulbai Tekra Road, Ahmedabad- 380 006, Gujarat
Tel: +91-33-23023000. Fax: +91-33-22874307. E-mail : sebiero@sebi.gov.in	Board Nos: 079-26583633-35 Fax No: 079-26583632 E-mail : sebiwro@sebi.gov.in

* Please refer to SEBI Website - www.sebi.gov.in for contact details of SEBI Local Offices.

CONTACT DETAILS OF STOCK AND COMMODITY DERIVATIVE EXCHANGES IN INDIA

Contact Details of Stock Exchanges	
BSE Ltd.:	National Stock Exchange of India Ltd. (NSE):
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Tel: (022) 22721233/4, 66545695 Fax: (022) 22721919 Email: corp.comm@bseindia.com Website: www.bseindia.com	Exchange Plaza, Plot No C/ 1, G Block, Bandra — Kurla Complex, Bandra (E), Mumbai- 400051 Tel: (022) 26598100/ 8114 Fax: (022) 26598120 Website: https://www.nseindia.com/
Metropolitan Stock Exchange of India Ltd. (MSE):	
Vibgyor Towers, 4th floor, Plot No C62, G Block, Bandra Kurla Complex, Mumbai- 400098 Tel: (022) 61129000 Fax: (022) 26544000 Website: www.msei.in	
Contact Details of Commodity Derivatives Exchanges	
Multi Commodity Exchange of India Ltd.:	National Commodity & Derivatives Exchange Ltd. (NCDEX):
Exchange Square, Suren Road, Chakala, Andheri East, Mumbai-400093 Tel: (022) 67318888/ 66494000 Fax: (022) 66494151 Email: info@mcxindia.com Website: www.mcxindia.com	Akruti Corporate Park, 1st floor, Near GE Garden, LBS Marg, Kanjurmarg (West), Mumbai- 400078 Tel: (022) 66406789 Fax: (022) 66406899 Email: askus@ncdex.com Website: www.ncdex.com

* For contact details of Investor Service Centres of Exchanges, please refer their respective official websites.

CONTACT DETAILS OF DEPOSITORIES IN INDIA:

Contact Details of Depositories	
National Securities Depository Ltd. (NSDL): Trade World, A Wing, 4th floor, Kamala Mills Compound, Lower Parel, Mumbai- 400013 Tel: (022) 24994200 Email: info@ nsdl.co.in Website: nsdl.co.in	Central Depository Services (India) Ltd. (CDSL): Marathon Futurex, A-Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai-400013 Tel: (022) 23058640/8624/8639/8642/8663 Email: helpdesk@cdslindia.com Website: www.cdslindia.com

* For contact details of other offices of Depositories, please refer their respective official websites.

FEEDBACK FORM

AFTER WORKSHOP DTD _____ at _____ at _____
(Date) (Time) (Village/City)

Participants of the workshop may please fill up the form after completion of the workshop.

Date

D	D	M	M	Y	Y	Y	Y
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1. Name of participant:
2. Age:
3. Has your knowledge about personal money management improved after reading this booklet?
Yes/ No/ May be
4. Do you feel that after completion of this booklet, you will redefine your investment strategy?
Yes/ No/ Probably
5. Will you take risk for better rewards?
Yes/ No/ May be
6. Will you diversify your investment as part of risk management?
Yes/ No/ May be
7. Will you buy mutual fund units?
Already have/ May be/ Yes/ No
8. Will you track your investment regularly?
9. What is your plan to achieve a retirement corpus?

(To be filled in by Resource Person)

Name of Resource Person:

Workshop Request Approval No.:

Notes

Financial Education and Investor Awareness Initiatives of SEBI

a)	Resource Persons Programs	Financial education programs conducted by SEBI empanelled Resource Persons in tier II/ tier III cities/ towns and in their local languages for various target groups like retired persons, home makers, self-help groups, working executives, etc.
b)	Visit to/ by SEBI Programs	Investor awareness programs conducted for students from college, schools and professional institutes who visit SEBI offices for these programs. SEBI officials also visit various educational institutions addressing the students and creating awareness about securities market.
c)	Regional Seminars	Investor awareness programs conducted by SEBI in coordination with Stock Exchanges, Depositories, Commodity Derivative Exchanges, etc.
d)	Investor Awareness Programs through Investors' Associations (IAs)	Investor awareness programs in securities market conducted by SEBI recognised Investors' Associations (IAs) in tier II/ tier III cities/ towns.
e)	Investor Awareness Programs through Commodities Derivatives Trainers (CoTs)	Investor awareness programs in commodities derivatives conducted by SEBI recognised Commodities Derivative Trainers (CoTs) in tier II/ tier III cities/ towns.
f)	Investor Awareness Programs through Securities Market Trainers (SMARTs)	Investor awareness programs in Securities Market conducted by SEBI recognised Securities Market Trainers (SMARTs) in tier II/ tier III cities/ towns.

Details of these Investors awareness programs can be found at SEBI Investor website:
<http://investor.sebi.gov.in>.



भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India