Pragati Didi's Tips

Financial Prosperity for Sanitation Workers



TRAINER'S MANUAL

Ministry of Housing and Urban Affairs
Government of India

DAY-NULM
Deendayal Antyodaya Yojana
National Urban Livelihoods Mission

150 YEARS OF CELEBRATING THE MAHATMA

DESIGNED AND DEVELOPED BY
Urban Management Centre
Ahmedabad

Pragati Didi's Tips

TRAINER'S MANUAL

FOREWORD



DAY-NULM allows formation of Common Interest Groups or Self Help Groups of most vulnerable sections of the community such as sanitation workers, which require extensive handholding support and empowerment.

Careful management of whatever money these people have is critical to meet day-to-day needs, cope with unexpected emergencies, and take advantage of opportunities when they come along.

The purpose of financial literacy is to teach people significance of money and how to manage it wisely. It offers them the opportunity to learn basic skills related to earning, spending, budgeting, saving, and borrowing. The benefit is that when people become more informed financial decision-makers, they can plan for and realize their goals. Moreover, once people have acquired financial literacy skills, those skills cannot be taken away. A one-time course in financial literacy can have lifelong rewards.

"Pragati Didi's Tips," a customized Financial Literacy Training Module has been developed keeping the sanitation workers in mind, so that they are able to relate with the characters in the Module. The Tool Kit is a valuable resource as it also offers awareness on Government Schemes as well as Basics of Digital Finance.

The Module has been designed in Hindi and English. The Visual Aid Tool Kit is accompanied by a Facilitator's Manual. The Module will be available both on DAY-NULM MIS and online training platform U-Learn. I would strongly encourage the Mission functionaries to use this Module and develop vernacular versions of the same which can be also placed on the U-Learn platform for common sharing.

I hope that DAY-NULM functionaries will find the training package useful in building the financial capability of sanitation workers for better opportunities in life and at work.

I would like to offer my appreciation to DAY-NULM Technical Support Unit (TSU) from Urban Management Centre (UMC) for its contribution on this financial education curriculum design and development.

Sanjay Kumar
Joint Secretary, DAY-NULM

March 15, 2019

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1 Understanding Money

TIME

1.5 hrs

MAXIMUM NO. OF PARTICIPANTS

30

MATERIALS

FLM Panels
Transparency markers
Masking tape
Flip chart paper

OBJECTIVES

By the end of the session the participants should be able to understand the following:

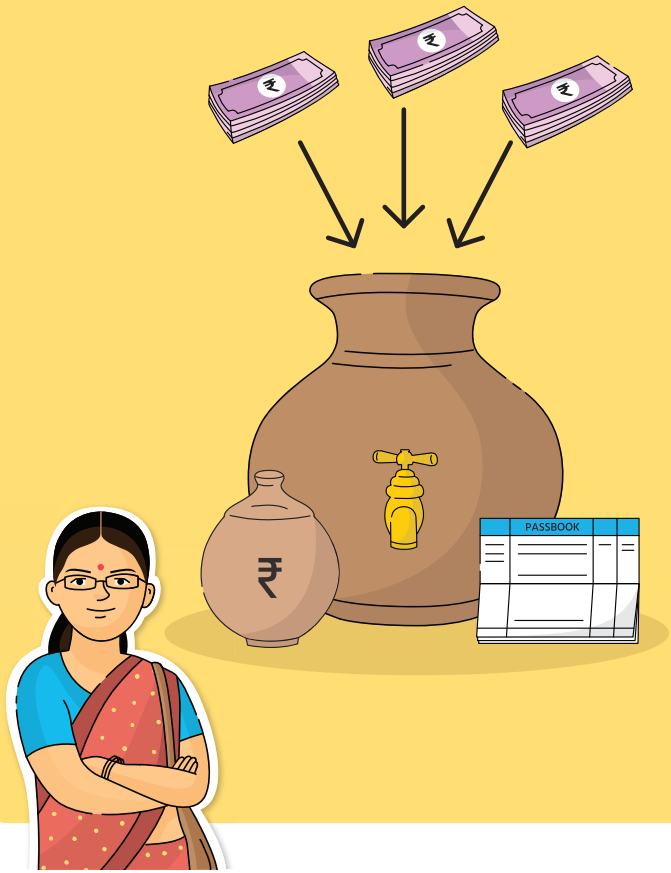
- **The financial needs during life cycle.**
- **Variation in Income during various stages of the life cycle and need for planning money.**
- **Monthly Cash Flow of a family and managing it with the income at hand.**
- **Ways to increase surplus, by twin strategies of reducing expenses and increasing income.**

STEPS

1. **Introduce the Session** 4
2. **Life Events and Expenses** 10
3. **Income at Various Ages** 12
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MODULE 1

Understanding the Language of Money



1

STEP 1 Introduce the Session

20 mins

Interact

Welcome to the learning session on financial literacy. Spend 5 minutes introducing yourself and ask informal questions to break the ice with participants making them feel comfortable. Ask them by show of hands and seek answers from the group:

- **How many are aged below 30 years?**
- **How many between 30-40?**
- **How many between 40-50 years?**
- **How many between 50-60 years?**
- **How many are married?**
- **How many have children?**
- **How many have own house?**
- **How many have rented house?**
- **What are the three reasons why you need financial literacy?**

Activity

Organize them into groups of 5 and assign a responsible leader for each group, who can help them reading / writing.

Explain

Careful management of what little money people have is critical to meet day-to-day needs, cope with unexpected emergencies, and take advantage of opportunities when they come along.
By this financial literacy training you will be able to understand concepts of money and how to manage it wisely. We will also see how we can develop more wisdom to reach on a path of financial

The Family





2

progress. As many are aware, money issues are the leading causes of stress, relationship strain, unhealthy behaviours which reduce our productivity. All these symptoms of financial illiteracy can affect our emotional state and impact those we care about most. Financial literacy training is valuable at any age; however, the sooner you learn basic money management lessons, the bigger is the advantage that you will have.

Note

Introduction to Pragati Didi

Pragati didi is a seasoned Community Organiser from the Municipality office. She is smart, strong and worldly wise. She has trained many slum communities on financial literacy. Her insights help the poor men and women understand the simple yet complex relationship with money.

Explain

"Pragati Didi is our seasoned Community Organiser. She has developed some 'Tips' which if followed can a carve a pathway out of poverty. I am going to teach you these tips. We will cover the module over a period of 4 days, with each session of 1.5 hours duration. I am going to unveil each day Pragati Didi's tips, but you will have to be patient and regular in participation."

Note

Introduction to The Family

Ask how many of you are interested in knowing these tips? (by show of hands)

So, let us begin.

The Family

Firstly, introduce the family to the participants, you should keep these names ready(Names should be kept as per the local area / state, to which participants can identify with).Tell them both the husband and wife are hard-working individuals but struggle to make

ends meet. They want their children to be well settled and lead a life of life dignity and prosperity.

Explain

Show the Panel 2 **The Family.**

"Here is a family of 6 persons ……., Sewerage contractor, his wife …… a Safai Karamchari with the municipality. She cleans city roads. They have two children; a boy aged 10 years and a girl aged 5 years. His parents ……and …..too have been safai workers but are now old and cannot work."

NEXT ⟶
Step 2 : Life Events and Expenses

Life Events and Expenses



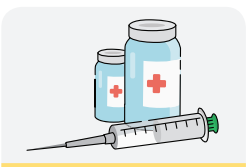
Marriage



Child Birth



Education



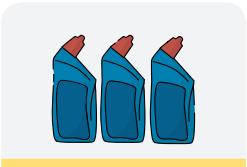
Medicine



Clothing



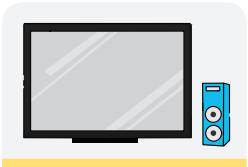
Festivals



Business Investment



Buying a House



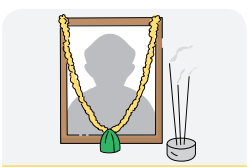
Asset



Old Age



House Repair



Death

STEP 2 Life Events and Expenses

10 mins

Interact

Can you tell about the life cycle stages from birth to death and what all money is required during each of these stages?

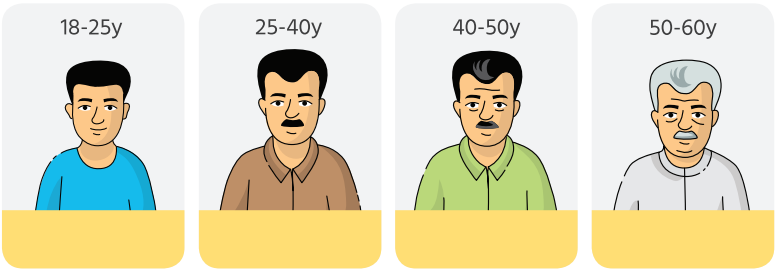
Write these on the flip chart one by one.

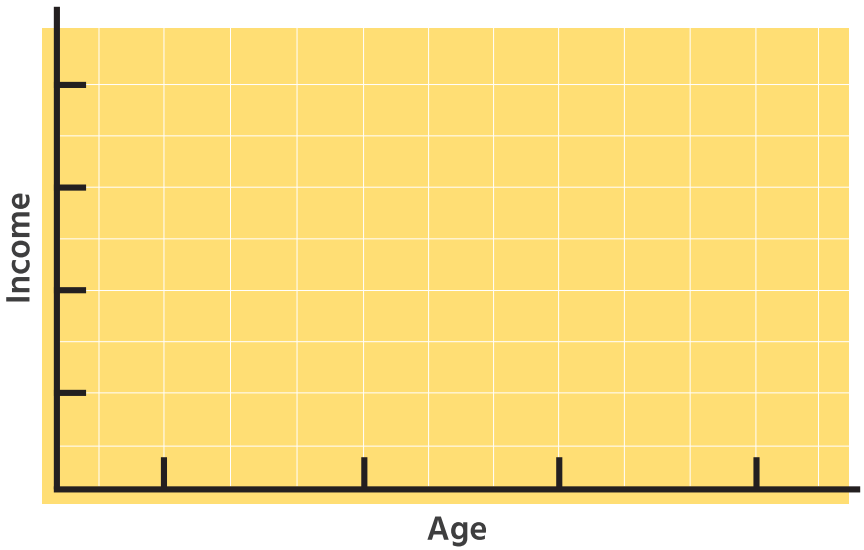
Show the panel **Life Events and Expenses**

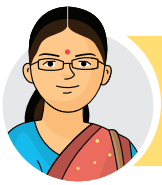
Summarize

The different phases through which a person passes at different ages when seen together is known as the life cycle of a person. There are various events in our life for which we need money such as Maternity / Child Birth, Housing Clothing and food, Education for Children, Investment for business, House Purchase, Accidents, Floods, Festivals, Attending marriage or other family functions, Higher Education, Hospitalization, Pilgrimage, Children's Wedding and Death. We need money for these events in life in varying amounts. Looking at these events and expenses it shows a scary picture of a person with limited income. Is it possible to manage all these expenses? Is there a solution? Let the participants come up with some responses

Income at Various Ages







STEP 3 Income at Various Ages

10 mins

Note

We will now look at our income earning capacity.

Choose two volunteers from the group and ask them to tell how their income cycle would be during various phases of life.

Activity

Write the income cycle of those two volunteers on the flip chart.

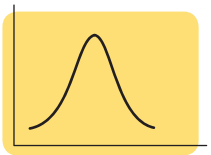
Note

Facilitate their understanding that first it will increase from young age to middle age. But as they approach old age, it will become consistent, and will not increase any further.

The Income Cycle is understood when a note is made of incomes that a person earns at different ages of life; broadly classified as per the graph below

Show the Panel **Income at Various Ages**

Draw the bell-shaped curve showing lower to higher and higher to lower during the age range of 18-65 years with peak being at the age of 40/45 years.



Explain

From the above it is clear that the person earns the maximum in the

age group of 18-40, during which he/she is physically very fit.

The following questions arise in our mind:

- **Will expenses be always more than Incomes?**
- **Will I ever be able to pay off my commitments**
- **Will I really earn enough to survive?**
- **What will happen if I do not earn enough at the right time to pay off my expenses at the required time / phase in life cycle?**
- **How will I balance my Income and Expenses for present and future financial commitments?**
- **What will happen if I don't fund my commitments when I am required to do so? Will my family neglect me or will I be socially boycotted?**
- **Is there a way where I can really deal with the financial aspects of my life?**

Summarize

Yes, it is true that we will always need more and more money with time passing by our side.

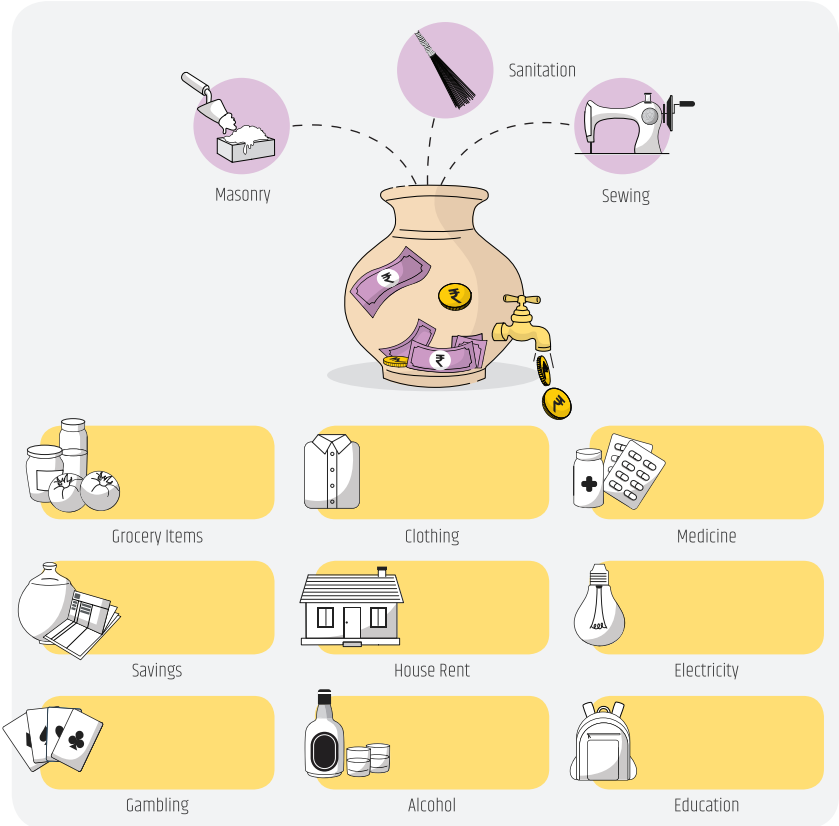
Yes, it is true that our incomes will not match our expenses in future if we do not plan our finances wisely.

Yes, there is a way to deal with your finances wisely.

So here is what Pragati Didi advises – As our income does not remain constant all the time, we need to Plan Money For Life.

NEXT ⟶
Step 4 : Cash Flow

Cash Flow





Do We Earn More or Less Than We Spend ?

5

STEP 4 Cash Flow

15 mins

Activity

But how do we plan money?

Let us look at some of the regular expenses that we incur.

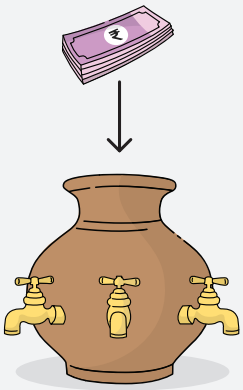
Now ask any two volunteers to raise hands for an activity. Ask them last month the expense items that the family incurred. Write it on the flip chart, as they spell out the items. Ask their monthly income and calculate expenses. You will be able to find surplus or deficit in the examples.

Summarize

Pragati Didi says that no matter whether we are rich or poor we have to analyse Do we earn more or less than we spend. (stress this point)

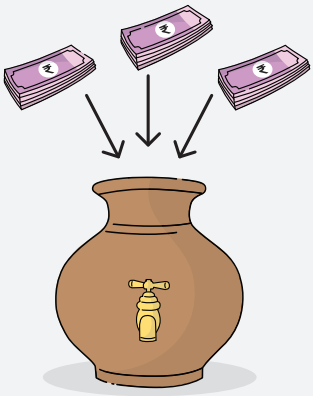
Better Cash Flow

Less Income More Expenses

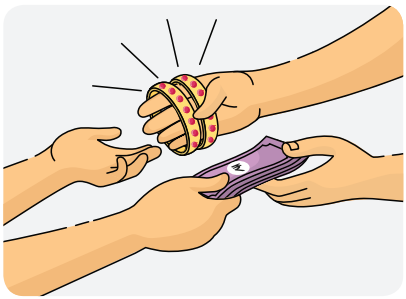


Deficit

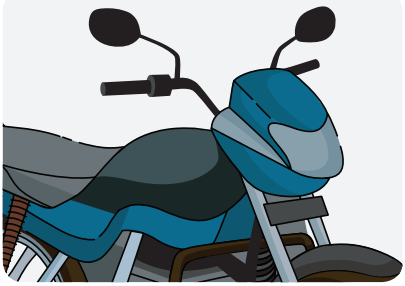
More Income Less Expenses



Surplus



Selling Jewellery to Meet Expenses



Buying a New Motorcycle from Savings



We Should Live Within Our Means

6

STEP 5 Better Cash Flow

10mins

Interact

Now introduce the concept of either increasing income or reducing Expenses. Draw the following diagram

Income Deficit(vicious cycle of poverty)	No Surplus No Deficit(no Savings)	Cash Surplus(Savings)
Increased Indebtedness Non-fulfillment of Needs Stress and Tension	No security against emergencies Vulnerable	Security against emergencies better education and life for children can invest and multiply money acquisitions of useful assets

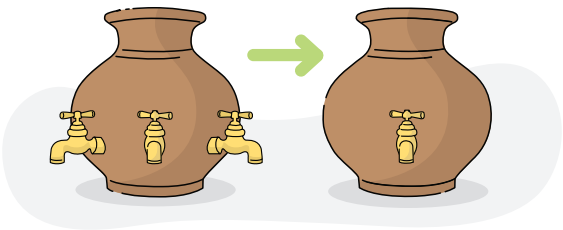
Involve participants to narrate their personal/ actual financial situation. Give examples like "maybe your son has been troubling you to purchase a bike / mobile. But you do not have money, what will you do? Or, everyone is purchasing saree for Diwali (choose a local festival, which matters the most), but you cannot afford. Discuss about borrowing money to meet these expenses, which are beyond your means. Conclude that the third scenario as given in diagram with Surplus Money is desirable.

Show them the Panel, **Better Cash Flow**

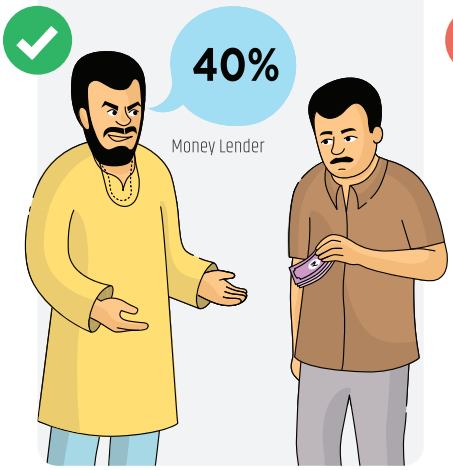
Summarize

Pragati Didi advises **We Should All Live Within Our Means.**

Reduce Expenses



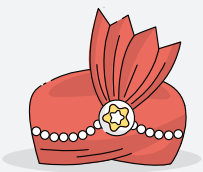
Repay High Interest Debts First



Cut Unnecessary and Avoidable Expenses


Alcohol & Tobacco


Gambling


Social Functions



Avoid Unnecessary Expenses 7

STEP 6 Reduce Expenses

10 mins

Interact

Introduce the concept of Necessary vs Unnecessary Expenses. Ask the participants, to list these items.

Put these on the flip chart.

Explain

Necessities

The expenditure that we need to incur irrespective of our level of income. These are the unavoidable expenses that we have to incur irrespective of the fact that whether we are rich or poor.

Unnecessary Expenditure

The expenses that we cannot afford based on our level of income. List the items from below table.

Show them the panel **Reduce Expenses.**

Necessary Expenditure	Unnecessary Expenditure
Food	Liquor, Tobacco
Rent	Eating outside
Education of Books	Incurring Expenses on Social Functions to please the community
Medical Expenditure	Paying Interest to Loan Sharks
Payment of Utility Bills	Fulfilling wishes of Kids

It is extremely important that an individual understands the difference between Necessary and Unnecessary Expenses.

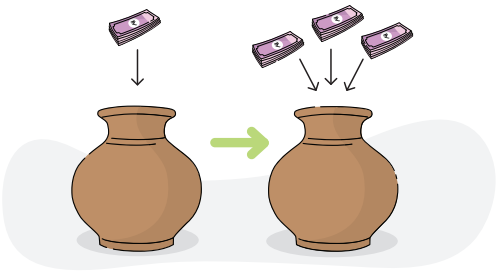
Summarize

Pragati Didi says that the first strategy to financial progress is to increase our surplus by reducing unnecessary expenses and hence **Avoid Unnecessary Expenses**.

Show the panel **Reduce Expenses.**

NEXT ⟶
Step 7 : Increase Income

Increase Income



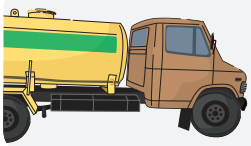
Upgrade Existing Professional Skills



Trained and Certified Sanitation Worker

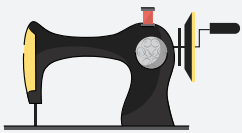


Mechanised Cleaning

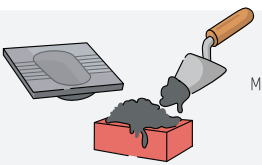


Vacuum Truck Operator

Learn New Skills in Other Profession



Sewing



Masonry



Mobile Repair



STEP 7 Increase Income

15 mins

Interact

Is there any other way to Increase income apart from saving?

(Let them give ways)

Facilitate their understanding that earning more income is another way.

What are the businesses/new jobs you can do?

What kind of new skills exist in your field and maybe outside your field?

List these on the flip chart.

Summarize

Pragati Didi recommends **Learn And Earn.**

Conclude The Module

Now summarize the session with the important messages of the day:

- **Avoid unnecessary Expenses**
- **Learn and Earn**

2 Towards Prosperity

TIME

1.5 hrs

MAXIMUM NO. OF PARTICIPANTS

30

MATERIALS

FLM Panels
Transparency markers
Masking tape
Flip chart paper

OBJECTIVES

By the end of the session the participants should be able to understand the following:

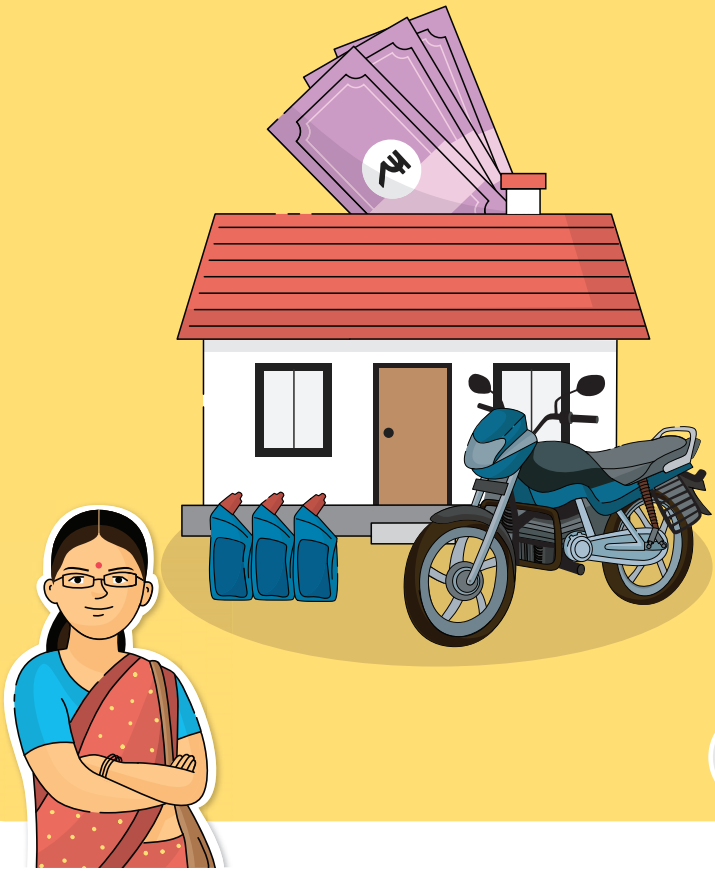
- **Benefits of maintaining financial diary**
- **Importance of saving money**
- **Defining the short term and long-term financial goals**
- **How to plan and setup an enterprise**
- **Various sources of borrowing money**
- **Awareness about National Urban Livelihoods Mission**
- **Merits of forming SHG/CIG under DAY-NULM**
- **Develop skill training and entrepreneurship**
- **Availability of affordability credit under DAY-NULM**

STEPS

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6. **How to get Money for Doing Business** 46
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10. **Affordable Credit** 62

MODULE 2

Towards Prosperity: A Life of My Dreams



9

STEP 1 Introduce the Session

10 mins

Interact

Welcome back to the learning session on financial literacy. Spend 5 minutes on recalling the learnings from the last session and key messages by Pragati Didi. Ask them by show of hands and seek answers from the group:

- **What did we learn from Module 1 (by show of hand ask any 3 people to summarize)?**
- **Do you have any queries related to Module 1, which you would like to discuss?**
- **How many of you have a dream of being prosperous in life and achieving your goals?**
- **How many of you have set your life goals?**
- **What are their goals?**

List it on the flip chart

- **How many of you maintain a financial dairy on a daily basis/ monthly basis?**
- **How many of you plan and save money for your life goals?**
- **Where do you save money?**
- **How many of you have faced troubles in borrowing money?**
- **How many of you have heard about DAY- NULM program?**
- **How many of you wish to get skills training?**

Explain

Careful management of what little money people have is critical to meet day-to-day needs, cope up with unexpected emergencies,

How to Reach Financial Goals ?





and take advantage of opportunities when they come along. By attending this financial literacy training module, you will be able to understand concepts of saving and how to manage your money wisely. We will also see how we can develop more wisdom to reach on a path of financial progress and to reach your life's financial goals. We will understand how by maintaining tracks of daily financial expense, we can save money. We will understand the power of saving money to fulfill our dreams. We will also learn about how you can get money to plan and setup your own enterprise. We will understand how SHG groups can be formed under DAY-NULM program and avail various benefits. We will also learn and upgrade various skill sets under DAY-NULM program.

Interact

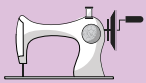
We will cover the Module:2 today, for which duration of today's session shall be of 1.5 hours. I am going to unveil today Pragati Didi's tips on savings and setting up an enterprise, but you will have to be patient and regular in participation.

Show them the Panels **Towards Prosperity a Life of My Dreams** and **How to Reach Financial Goals** while you indulge in above discussions.

How many of you are interested in knowing these tips? (by show of hands)

So, let us begin

Maintain Monthly Budget

INCOME	EXPENSES
 Sanitation Work	 Grocery Items
 Sewing	 Alcohol
 Mobile Repair	 Electricity
 Masonry	 Savings
 Vacuum Truck Operator	 Education

INCOME	-	EXPENSES	=	SURPLUS



Maintain Financial Diary

11

STEP 2 Maintain Monthly Budget

10 mins

Interact

How many of you have a dream of prosperity?

Now, as we all know we need to plan money for life and how important it is to live within our means. To reach our financial goals, we must plan our daily and monthly expenses.

Do they know what a financial dairy is?

A financial Dairy is a book to keep daily records of expenses made at the end of day calculating total expense against the daily/monthly income.

Do they maintain a daily financial diary? If yes, how do they maintain it?

Write their responses on flip chart.

Activity

Introduce Daily Financial Diary to them and tell the importance and benefits of keeping records of expenses. Show panel **Maintaining a Financial Diary Daily** Each person can individually fill in his or her income and expenses .

Daily Income	Daily Expenses

What are your modes of income?

What is the monthly income?

What are your monthly expenses?

List their responses on the flip chart.

Calculate expense versus income on panel. Show them the surplus/ deficit amount.

Exercise for Participants

Split them into 5 Groups, with a Group leader assigned who can calculate.

Ask them to do a diary entry for a sample month, by taking any one person's monthly income and expense items.

Ask any two groups to write it or read it aloud

You write the diary entry on flip chart

Explain

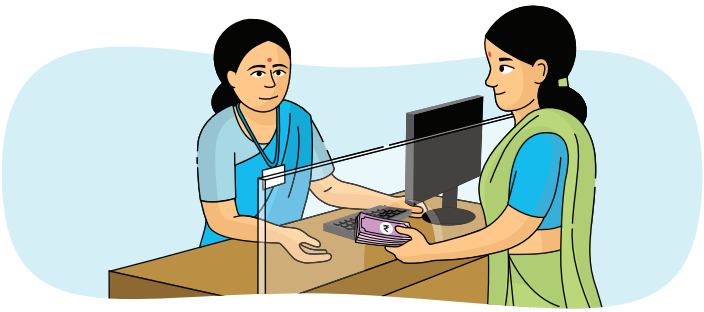
Show them, how by maintaining records of their expenses they can plan and save accordingly by reviewing and reducing the extra and unnecessary expenses. That shall give them surplus money for future use if they keep records daily in financial diary. Stress on Maintaining A Financial Diary

Summarize

Pragati Didi says that by planning and maintaining a monthly budget they can reach their financial goals very soon and with ease and hence Maintain Financial Diary.

NEXT ⟶
Step 3 : Invest Your Saving

Invest Your Savings



₹ 10 per day

SAVE
₹ 3000 per year

INVEST	
6.5%	
1 year	5 years
₹ 3,195	₹ 18,191

SAVE

INVEST	



A. Save Regularly
B. Grow Your Money

STEP 3 Invest Your Savings

15 mins

Interact

Now that we know, by maintaining a financial diary, we can plan and save money.

Do you save money?

What do you do with the money that you save?

Does anyone of you save in a bank?

Write their responses on the chart.

Note

Show them the power of saving money by explaining them through the panel.

Show them if we save Rs 10 per day for 25 working days a month, annually we can save Rs 3000 (10x25x12= Rs 3000).

Suppose we invest our above savings into a bank, for 1 year at the rate of Interest of 6.5%;

The amount of Rs. 3,000 invested for one year will become Rs. 3,195 (Rs 3,000 Principal plus Rs 195 Interest)

Calculate 6.5% of Rs 3000. Show them how percentages are calculated. Example 5% of Rs 100 is Rs 5 and 10% of Rs 100 is Rs 10. Given them sample oral calculations example 5% of Rs 200 is what? (Rs 10)

Explain

Just by saving Rs. 10 per day for 10 years you have accumulated funds worth Rs. 43,115 and investing them into the safest form of savings for future use.

Power of Compounding

The Power of Compounding is one of my favorite topics – because

it is very **Simple to Understand**,

is a **Very Powerful Concept** and

it is **For Everyone**.

Power of Compounding is nothing but the value that one can create from 1 single investment over a long period of time. It also defines the value of a certain amount of money invested today, versus being invested later, i.e. the time value of money.

To explain this we have to take some simple examples.

The Power of TIME

Let us assume that Radha is 25 years old and this year and she has accumulated funds of Rs 25,000. which she decides to invest. Let us also assume that she gets a consistent **6%** interest on this amount. So, after 1 year, his amount grows by **Rs. 25,000 to Rs. 26,500.** By the end of the second year, it has grown by 6% (of Rs. 25,000), i.e. by **Rs. 8,090 to Rs. 28,090.**

When the fifth year ends, it has grown further to **Rs. 33,456**.

At the end of the tenth year, the value of his money is now **Rs. 44,771.** Now look at the table below.

Year	Principal	Interest	Total Amount
Year 0	25000		25000
Year 1		1500	26500
Year 2		1590	28090
Year 3		1685	29775
Year 4		1787	31562
Year 5		1894	33456

Year 6		2007	35463
Year 7		2128	37591
Year 8		2255	39846
Year 9		2391	42237
Year 10		2534	44771

1. The longer you stay invested, more your money will grow. So to achieve your financial goals, **Start at an early age!** So if you are 20 years, just don't think so much and make an investment even if it is small. Over time, it will grow to a very big amount.
2. To make a certain amount of money at a certain time, you can **Invest Less If You Start Early, But If You Start Late, You Will Have To Invest Much More.**

We can see that saving over a long period of time increases money through compounding interest.

Note

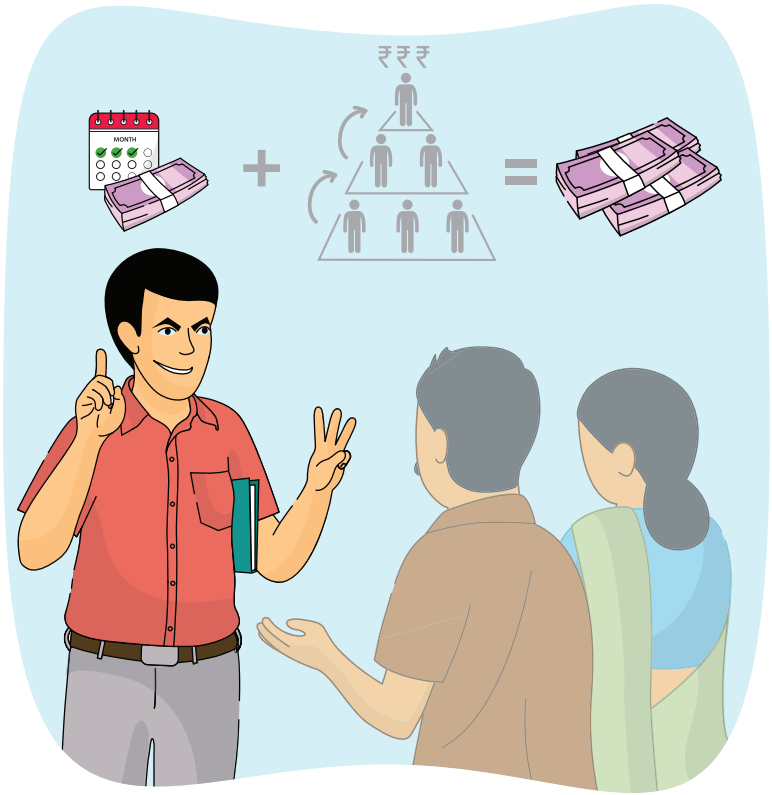
Tell them thumb rule.

Stress On "**Everyone Should Try to Save 20% Of Their Monthly Income**"

Summarize

Keep any savings that you have in a bank. Do not keep it at home, since it will earn interest in bank and will be much safer. Hence, two tips for you: **Save Regularly and Grow Your Money.**

Invest in Safe Deposits





Beware of Ponzi Schemes 13

STEP 4 Invest in Safe Deposits

5 mins

Interact

You understood power of compounding, Higher the rate of interest, higher will be the value of compounding. But remember it cannot be very high. In actual world it is difficult to returns more than 10 %, even 12% is the maximum outer limit.

Have you heard of schemes where money grows double in 2 years or 5 years?

Let the group come up with some examples. Or you can narrate examples like Rs 50,000 becoming Rs 1 lakh in 3 years. (now tell them that these are Ponzi schemes)

Explain

So, What is a Ponzi scheme?

Ponzi scheme is a fraudulent investment operation that promises high rates at little risk to investors. The scheme generates returns for older 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. Finally, the fraudster comes at a point where he going to be paying out more than he can bring in, at which point he closes up the shop and disappears with the loot. The system is destined to collapse because the earnings, if any, are less than the payments to investors.

How to Spot one?

The Ponzi scheme usually entices new investors by offering returns other investments cannot guarantee, in the form of short-term

returns that are either abnormally high or unusually consistent. In other words; it seems too good to be true.

Summarize

Pragati Didi says, we must always save money in banks or in government schemes. The savings must be disciplined and regular. Please Beware of Ponzi Schemes

NEXT ⟶
Step 5 : Reaching Our Financial Goals

Reaching Our Financial Goals

Short Term

Goal	Time	Amount	Save		
			year	month	day

Long Term

Goal	Time	Amount	Save		
			year	month	day



Set Financial Goals and Work for It

14

STEP 5 Reaching Our Financial Goals

15 mins

Interact

How many of you have goals for life?

What are your financial life goals?

List their responses on the flip chart.

Explain

Differentiate their financial life goals into short term and long-term.

Short Term Goals mean: these are goals we want to achieve in next 1-2 years; e.g. buying a bike, buying a fridge, etc.

Whereas, Long Term Goals mean: these are goals we want to achieve in 5+ years period or for our future: e.g. Purchase House, Son's marriage, savings in pension fund for use after retirement

Show, Panel **Reaching our financial goals**

Give example: if Short Term Goal is to Buy a Fridge. Time to Save: 1 year, Cost: Rs 10,000, Total Months: 12, Total days: 360. Savings per day required= 10000/360= Rs 28 per day.

This money should be saved in bank or government scheme. This will also provide the interest amount for 1 year.

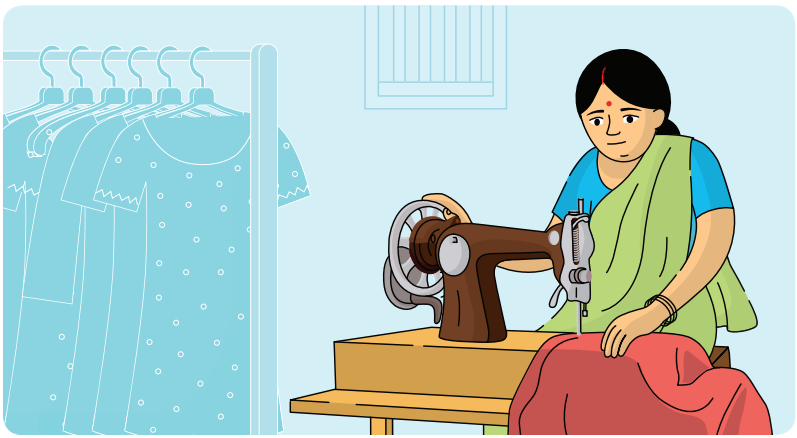
Exercise for Participants

Ask them to choose a short-term goal and calculate the amount of money required. Let any two persons from the group present an example and you can write the calculations on the flip chart.

Summarize

Pragati Didi says, Set Financial Goals And Work For it.

How To Get Money for Doing Business ?





15

STEP 6

10 mins

How to Get Money for Doing Business

Interact

To achieve your financial goals, you may be required to start an enterprise. For example, if you are deployed by some contractor for the sanitation work, you will receive a fixed salary per month. Whereas, if you start your own enterprise individually or with SHG, you may be able to earn more than your fixed salary.

Do you think about starting your enterprise? What would you need to start an enterprise?

Money, right?

What are the modes through which you get money?

List their responses on Flip Chart

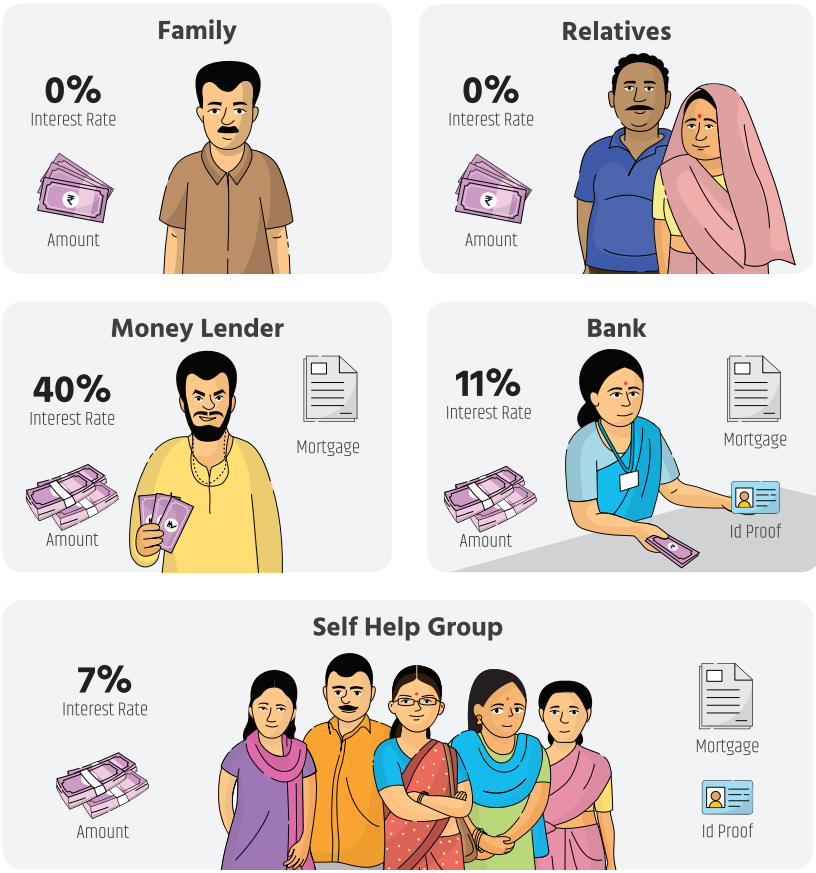
Trainer Reference Note

Approach friends and relatives as investors but it comes with its own set of challenges such as limited money, risk of spoiling relations etc. When borrowing from friends and families, make clear the terms of the loan or investment and put everything in writing.

Explain

Apply for loans from banks which are the major source of financial assistance to entrepreneurs. However, loans from public sector banks are more affordable. Remember you should have enough money, either in savings or obtained through loans, to be able to pay your bills for the first six months of your entrepreneurial venture.

Sources of Borrowing





Borrow at a Lower Rate of Interest 16

STEP 7 Sources of Borrowing

5 mins

Interact

If we had planned for starting an enterprise and started saving money for it, we may have enough savings as we learnt from Module - 1 then, we would be comfortable with our spending. In case we did not plan and save, then we are forced to borrow money from various sources.

What sources do you think of borrowing money from?

List their responses on flip chart

Explain

Explain them on Panel, **Sources of Borrowing** : Family, Relatives, Money Lender, Bank, SHG. Explain merits and demerits of borrowing money from the listed sources.

Involve participants to narrate their examples of personal/ actual borrowings.

Give examples like "Maybe someone borrowed money from relatives and couldn't pay back, it spoilt their relation or if someone borrowed money from the money lender and he took their home/ bike/jewellery for not being able to pay back. Discuss about how borrowing money from wrong sources could end you in trouble.

Explain them ill effects of borrowing money from money lenders

Trainer Reference Note

Let us assume that today you borrowed funds worth Rs. 20,000 from a money lender and kept your jewellery or ornaments worth Rs. 20,000/- as security. The rate of Interest that a money lender will charge will be at least 3% to 3.5% per month. Hence, if you are able to repay the amount within one month, the amount that you will

repay will be Rs. 20,600. You will pay an interest of Rs. 600 just for one month.

Explain

In case you are not able to repay the amount borrowed, you will still need to pay the compounding interest on Rs. 600 per month till you repay the principal amount borrowed. Imagine if you couldn't pay for 12 months, it is clear that the amount of Rs. 20,000 borrowed for 1 year will turn into a loan of Rs. 28,515 after one year.

Other than that, the money lender shall harass them every now and then.

Show, them the Panel: **Sources of Borrowings** and represent the rate of interest for banks is 11% whereas the SHG lends at lowest rate of interest of 7% compared to the money lenders compounding rate of interest of 40% per year.

Summarize

Pragati Didi advises to borrow loan and always plan for repayment and to Borrow at a Lower Rate of Interest.

NEXT ⟶
Step 8 : DAY-NULM SHG

DAY-NULM

Deendayal Antyodaya Yojana-
National Urban Livelihoods Mission



17

STEP 8 DAY- NULM SHG

10 mins

Activity

I will show you a small movie now.

Show them U-Learn Module on SHG Formation.(www.U-Learn.in)

(after the movie ends)

Explain

We know that primary responsibility is ours to take necessary steps to progress in life. To help us in this government also takes care of the poor people by way of specific programs for the urban poor.

Note

Make them understand what is DAY-NULM Program which is a flagship program for urban poor as initiative by Government of India to support to women self-help groups. It further empowers them, through setting up bank linkages and creating livelihoods though skill training. Hence, it supports them to develop their enterprise and become independent.

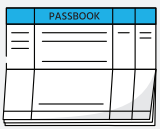
From our childhood days, we hear sayings like! 'Self-help is the best help'! 'Unity is strength'! 'United we stand, divided we fall' We have heard the story of the birds caught in a net. They could not escape one by one. But when they flew together in a group, they escaped. We know that one stick is easy to break. But it is difficult to break a bundle (group) of sticks. The SHGs show us how unity is strength. They show us how self-help could be the best help.

Show, Panel: **Self Help Group**

Self Help Group



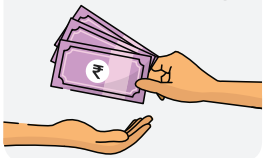
Regular Savings



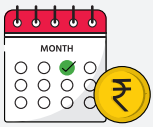
Regular Meetings



Regular Internal Lending



Regular Repayment



Regular Book Keeping





Join a SHG and Follow Panchsutra

18

Trainer Reference Note

What is SHG?

SHGs are groups of 10 to maximum 20 women or men who come together to improve their living conditions by group savings and loans. The process of SHG formation is as follows: organizing women into affinity based groups, developing group norms, practicing Panchasutra and leadership development. All the good SHG groups work on panchsutra Regular saving, Regular meetings, Regular accounts – book-keeping and accounting, Regular repayments and Adherence to rules and regulations of the SHG.

Explain

These groups conduct regular meetings where the savings of the group is collected into a corpus fund, which is used to provide short-term loans to the members. After some time when the credit requirements of the members increase, the Self Help Group may approach a bank for loan. Once the members of the groups are finalized and a group is formed, a revolving fund of a maximum of Rs. 10,000/- can be spent per SHG for its formation, hand-holding, training of all the members, bank linkage, formation of federation and other related activities. The SHG will be linked to banks.

Note

Give example of the SHG groups working for various livelihoods related to Sanitation, Waste Segregation, street sweeping etc.

Note

Explain to them benefits of DAY-NULM SHG where they can work together and have livelihoods. The SHG's shall promote regular savings among members of the group, make available credit to members of the group to meet urgent domestic needs, to form a group that would be eligible to receiving benefits under the Deendayal Antyodaya Yojana - National Urban Livelihoods Mission (DAY-NULM) and other schemes of the Government of India and

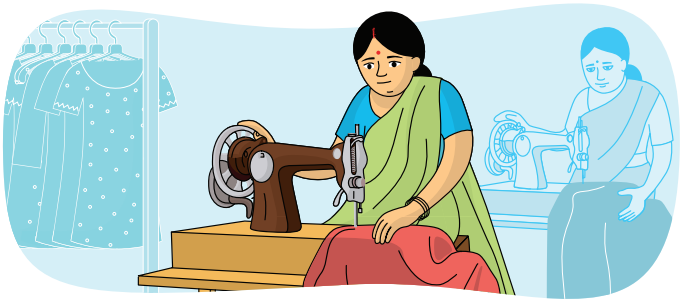
State Governments and would be able to articulate a demand for the same and to build leadership skills of members so that they can manage the group in rotation.

Summarize

Pragati Didi advises to **Join A SHG And Follow Panchsutra.**

NEXT ⟶
Step 9 : Skill Training & Entrepreneurship

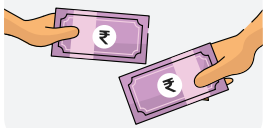
Skill Training and Entrepreneurship



Skill Development



Multiple Allowances



Certification



Job Placement



Higher Income





Learn or Upgrade with New Skills Under DAY-NULM

19

STEP 9

10 mins

Skill Training & Entrepreneurship

Interact

What are the enterprises/new jobs you all want to start?

What kind of new skills exist for creating livelihoods and also for alternative livelihoods in your employment sector?

List these on the flip chart.

What if someone wants to upgrade skills either to join an existing SHG or wants to start an enterprise? Is there any way to learn new skills?

Note

Give example, if they are working now in cleaning toilets and they want to upgrade their skills for facility management or desludging operator they can avail training on various skill sets through RPL (recognition of prior learning) or full-time courses on facility management which are available under DAY NULM.

What is Recognition of Prior Learning (RPL)

Recognition of Prior Learning (RPL) is a platform to provide recognition to the informal learning or skills acquired through informal means work to get equal acceptance as the formal levels of education.

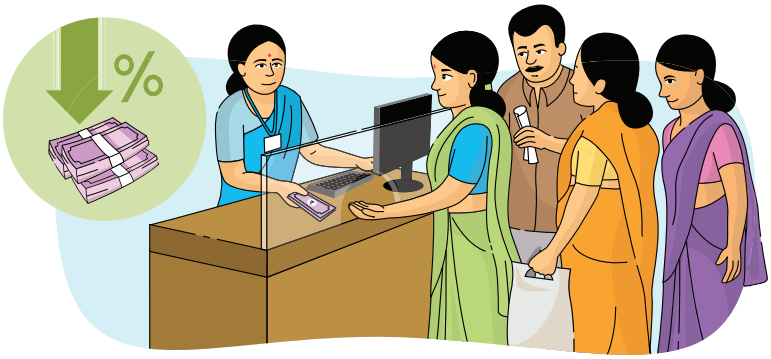
Do you want to learn new skills?

Show, Panel: **Skill Training and Entrepreneurship**

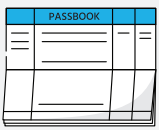
Note	Explain the participants, under DAY-NULM they can learn and develop new skills or upgrade new skills, get multiple allowances, get certification and get job placement or start their own enterprise.
Summarize	Pragati Didi says we must **Learn Or Upgrade With New Skills Under Day-Nulm.**

NEXT ⟶
Step 10 : Affordable Credit

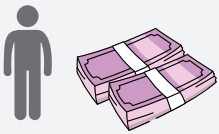
Affordable Credit



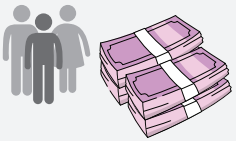
Bank Account



2 Lakhs for Individuals



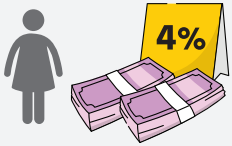
10 Lakh for Groups



Easy Loans



Lower Rate of Interest for Women





Grow Your Business with Affordable Credit

20

STEP 10 Affordable Credit

10 mins

Interact

We understood, the merits-demerits of borrowing money and importance of skill training for starting a new enterprise/job. The new enterprise could be started individually or in group with SHG under DAY NULM.

Note

Explain the participants, what is affordable credit. A Credit for enterprise that is given at lower rates and easy loans under DAY NULM and various other government schemes.

Show, Panel **Affordable Credit**

Note

Explain them, under DAY NULM affordable credits in the form of easy loans can be obtained from banks for individuals, or for groups at lower rates of interest for women SHG groups and men SHG groups or mixed SHG groups. Specifically, lower rate of interest may be obtained for women SHG groups if they are doing regular repayment of their loans and are following the panchsutra. Under DAY NULM, the bank account shall be opened for them to get the affordable credit.

Explain them, individuals can avail loans up to 2 lakhs and groups can avail loans up to 10 lakhs under DAY NULM.

If you avail loans under DAY NULM, at lower rates than you can use that money for the business growth and it will become easy to repay affordable loans than borrowed money from money lender at a very higher rate of interest.

For example, as we learn if you take money from money lender at rate of interest which is much higher, you end up paying half of the money only as interest also which becomes difficult to repay. Whereas, if you take money at affordable interest, you can save money which will be lost in paying interest and invest in your business.

Summarize

Pragati Didi recommends **Grow your business with affordable credits.**

Conclude The Module

Now summarize the session with the key tips of the day:

- **Maintain Financial Diary**
- **Save Regularly**
- **Grow Your money**
- **Beware of Ponzi Schemes**
- **Borrow at a Lower Rate of Interest**
- **Join a SHG and Follow Panchsutra**

NEXT ⟶
Module 3 : Government Entitlements

3 Government Entitlements

TIME

1.5 hrs

MAXIMUM NO. OF PARTICIPANTS

30

MATERIALS

FLM Panels
Transparency markers
Masking tape
Flip chart paper

OBJECTIVES

By the end of the session the participants should be able to understand the following:

- **What are Government Entitlements**
- **Benefits under key government schemes**
- **Business loans through government schemes**
- **Special loans for sanitation workers**

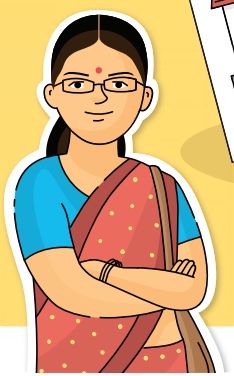
STEPS

1. **Introduce the Session** 68
2. **Draw Entitlements Wisely** 70
3. **Government Entitlements** 76
4. **Safety Nets** 80
5. **Welfare Schemes** 86
6. **Business Loans** 98
7. **Loans For Safai Karamcharis** 102

MODULE 3

Know Government Entitlements





21

STEP 1 Introduce the Session

10 mins

Interact

Do you feel financially insecure?

What are the challenges that you face in your life?

List their response on flip chart

Discuss the challenges with them like accidents, diseases-health issues, bank account, buying house, loans for starting an enterprise, pregnancy- child birth, child education.

- **How many of you have bank account?**
- **How many have life insurance?**
- **How many have health insurance?**
- **Do you all encounter difficulty in going to the Bank?**
- **Do you get benefit of any government schemes?**
- **Are you aware of the government schemes for your benefits?**

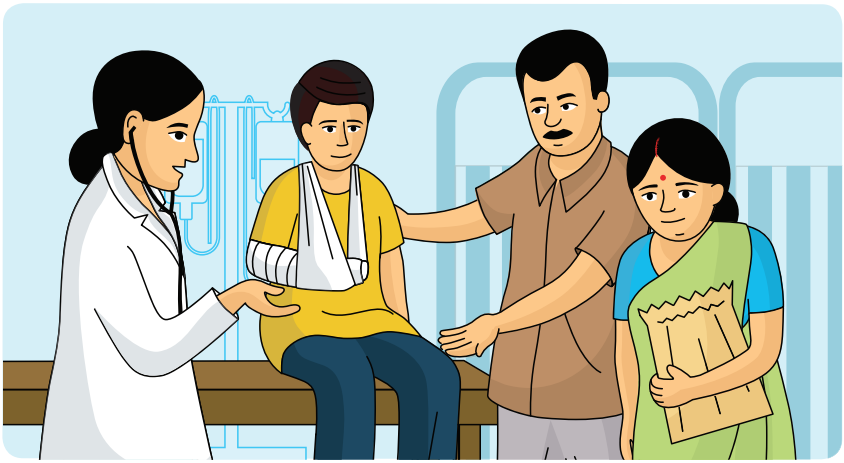
List the responses on the flip chart

Explain

Over the years the government has introduced several welfare programs to support low-income people. The programs provide a safety net to individuals and families to protect them from poverty. Today I am going to tell you about some of these:

Some of the prominent ones relate to life, accident and health insurance, pension, savings bank account opening, housing loan, maternity and child benefits, and loans for setting up business; the government have schemes for supporting the poor with the challenges. Let us look at these one by one. Show Panel 21 **Know Government Entitlements**

Draw Entitlements Wisely





STEP 2 Draw Entitlements Wisely

10 mins

Interact

Are you interested in knowing your government benefits? (show of hands)

Have you faced challenges with the child's accident like hand or leg crack while playing? Or anyone has faced challenges with parents in old age who cannot work?

Yes, right? Children tend to fall and hurt themselves while playing. We need to prepare ourselves with such unplanned things for any emergency.

Has anyone heard of insurance?

Explain to them, concepts of insurance.

Explain

Insurance is a Financial Product which protects and individual from uncertainties. A person pays regular amount to the Insurance Company as "Premium" and in case of the occurrence of uncertain event, the person is compensated financially by the Insurance Company up to the amount of Sum Assured (Insured).

Why is Insurance Important?

Let us understand a short case study to understand the importance of Insurance.

Suppose a person falls ill and needs to be admitted to the hospital. The total Hospital Expenses are about Rs. 50,000/-.

Case-1 – If you are insured:
The Insurance company will pay the amount of hospital bill on your behalf and you will not pay the hospital expenses if you are insured

for an amount of Rs. 50,000/- or more.

All you have paid is a minor premium amount of Rs. 1,000/- per year in order to avail this insurance product known as Mediclaim Insurance.

Case-2 – If you are not insured:
You will have to manage that amount of Rs. 50,000/- and pay the hospital bill on your own. If you do not have enough savings you will end up borrowing that amount from someone either on Interest or without interest. Thus, you end up in an expenditure of Rs. 50,000/- plus applicable interest on the amount borrowed to pay the hospital bill.Thus, it is important for every individual to have Health Insurance.

Types of Insurance Products

Life Insurance
This type of Insurance covers the life of a person up to the age mentioned in the insurance plan. In case a person dies within the age mentioned in the insurance plan, the dependents (nominee), family members receive the amount of sum assured from the Insurance Company. This type of plan is very important for a person who is the only earning member in the family so that in case of his / her unfortunate death, the family members / dependents are covered financially. The most common Life Insurance Plans are the Term Plans for which a premium of around 500/- per month is paid to avail insurance cover of around Rs. 40-50 Lacs.

Health Insurance
We have discussed the concept of Mediclaim Insurance above. It is important to note that all major public sector banks have a tie up with the 4 major Public Sector Insurance Companies. And they provide the cheapest Mediclaim plans.

Vehicle Insurance
If we own a vehicle, it is very important to have it insured. The vehicle insurance is divided into two parts:

a. For the damage to vehicles

b. For loss of life / property to third parties

In case of a vehicle accident, the cost of repairs to own vehicles and the counter party vehicles is covered by the Insurance Company. In case of a loss of life due to a vehicle accident, the insurance company compensates the affected party.

Government Insurance Schemes

All the insurance schemes offered by the Government are at highly subsidized premium rates. Hence, they are the cheapest insurance plans available to the poor sector of the country. The major schemes are highlighted as under:

Interact

If any are in age above 60? Or near 60's? (Show of hands)

Do you have any retirement plans? Have you planned for pension?

Explain

What is Pension?

Pension is that amount of income that a person receives after his working period age (retirement).

How does a Pension Scheme Work?

The person intending to avail pension after retirement age (60 years in India) will save and contribute every month a fixed amount towards the Pension Plan (Scheme). Upon attaining the retirement age, he / she will start receiving Pension from the Pension plan per month as pre-decided earlier.

Some Government employees receive Pensions depending upon their income slab during their employment. The amount of Pension will increase every 5-6 years depending upon inflation and Government policies.

We will learn about the schemes in detail in later section.

We have seen the power of savings, right? So, if we save money for such unexpected emergencies and we are prepared for the we can deal with it without seeking help from anyone. Like, if the child falls there is need to take him to hospital, if he is insured you can get him best treatment without having to pay a lot of amount at one time because you have paid regularly small premium in insurance policy.

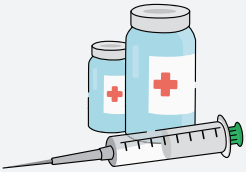
Similarly, if you have saved for the retirement period by pension you can be on your own. Even if you cannot work, you will have enough for your daily chores and you won't have to ask for help and live a respectful life.

It is very important for a person to have Insurance and Pension Products during the early age of earning capacity. Insurance Covers the risks financially and protects an individual from uncertain financial obligations. Pension assures an income to cover the retirement ages of life. Availing Government Insurance and Pension Products is more advisable to classes of people with lesser income since the Premiums are subsidized and the benefits are limited.

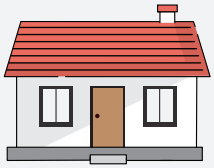
NEXT ⟶
Step 3 : Government Entitlements

Government Entitlements

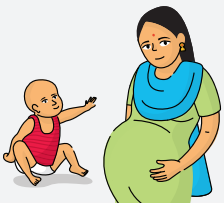
Health Insurance



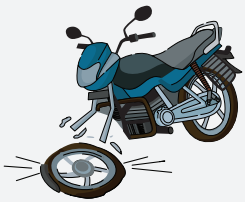
Housing Schemes



Maternity & Child Care



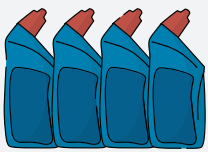
Accidental Insurance



Life Insurance



Business Loans





Make Yourself Aware of the Numerous Government Schemes

23

STEP 3 Government Entitlements

10 mins

Interact

Has anyone of you received benefits for government schemes? (Show of hands)

What are the government schemes you have benefited from or you have applied for?

List the responses on flip chart

Did any of you face issues in claiming for the government schemes? (Show of hands)

Let's us look at the government entitlements. The government has various schemes for assisting the poor.

Show the panel, **Government Entitlements**.

Explain

We understood what is insurance in the above panel. There are different insurance products provided based on the emergency that could be linked with different risks. We face challenges related to health, accident or life.

Health Insurance

Is a type of insurance coverage that pays for medical and surgical expenses incurred by the insured. Health insurance can reimburse the insured for expenses incurred from illness or injury, or pay the care provider directly.

Accident Insurance

Is insurance that provides compensation for accidental injury or death. Accident insurance covers death, dismemberment, loss of

sight, loss of income, and medical expenses caused by accidental injury. Accident insurance is insurance that provides compensation for accidental injury or death. The accidental insurance is also for the vehicles. In case there is damage to the vehicle in accidents, it can be reimbursed if insured.

Maternity and Child Care Scheme

Are for pregnant women helping in improving health seeking behavior and nutrition, reducing number of effects of under nutrition. These are a conditional cash transfer scheme for pregnant and lactating women of 19 years of age or above for the first live birth. It provides a partial wage compensation to women for wage-loss during childbirth and childcare and to provide conditions for safe delivery and good nutrition and feeding practices.

Housing Schemes

Facilitates the poor who cannot buy houses, helping and assisting the poor to buy affordable houses. There are a various government schemes launched which assist poor to buy houses are cheaper down payments and loans of lower rate of interest.

Life Insurance

Is a contract between an insurance policy holder and an insurer or assurer, where the insurer promises to pay a designated beneficiary a sum of money (the benefit) in exchange for a premium, upon the death of an insured person (often the policy holder). Depending on the contract, other events such as terminal illness or critical illness can also trigger payment. The policy holder typically pays a premium, either regularly or as one lump sum. Other expenses, such as funeral expenses, can also be included in the benefits.

Business Loan

Is a loan specifically intended for business purposes. As with all loans, it involves the creation of a debt, which will be repaid with added

interest. There are a number of different types of business loans. Joining Self Help Groups will assist in getting enterprise loans from banks at lower rates.

Summarize

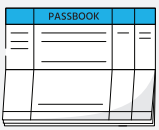
We will see in detail what are various government schemes.

Pragati Didi guides to **Make Yourself Aware Of The Numerous Government Schemes And Take Benefits From Them.**

Safety Nets

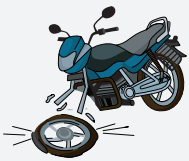


Bank Account for All



Pradhan Mantri Jan Dhan Yojana

₹ 2,00,000 Accident Cover



Pradhan Mantri Suraksha Bima Yojana

Upto ₹ 2,00,000 Life Cover



Pradhan Mantri Jeevan Jyoti Bima Yojana

Upto ₹ 5,00,000 Family Cover



Pradhan Mantri Jan Arogya Yojana

Upto ₹ 5,000 per month



Atal Pension Yojana



Reap the Benefits of Government Entitlements

24

STEP 4 Safety Nets

15 mins

Explain

Show panel_**Safety Nets**

Safety nets are a collection of services provided by government, It includes welfare, universal healthcare, right to healthcare, free education, right to housing, pension, homeless shelters, and sometimes subsidized services such as food ration, which prevent individuals from falling into poverty beyond a certain level. We should make ourselves aware of all these safety nets and take maximum advantage.

Let us understand some of these safety nets:

1. Pradhan Mantri Jan Dhan Yojana

Pradhan Mantri Jan-Dhan Yojana (PMJDY) is National Mission for Financial Inclusion to ensure access to financial services, namely, Banking/ Savings & Deposit Accounts, Remittance, Credit, Insurance and Pension in an affordable manner.

The PMJDY account is a Basic Savings Bank Deposit Account (BSBDA) which requires no minimum balance. The services available include deposit and withdrawal of cash at bank branch as well as ATMs; receipt/credit of money through electronic payment channels or by means of collection/deposit of cheques. A maximum of 4 withdrawals a month including ATM withdrawal. No such limit for deposits. There is Facility of ATM card or ATM-cum- one-time mandate for auto-debit every year till the scheme is in force, subject to re-calibration Debit card. These facilities are to be provided without any extra cost.

The government has thus facilitated provision of opening bank account for all though PMJDY. Go to nearest bank if you do not have a bank account.

Life Cover under Pradhan Mantri Jan Dhan Yojana (PMJDY)

Features
The Rupay ATM-cum-debit card comes with in-built accident and life covers of Rs 1 lakh and Rs 30,000 respectively.

Cost
Nil

Eligibility
Anyone belonging to the economically weaker sections of society. As all future welfare and subsidy schemes are likely to be linked to it, it is a must for your staff.

Who should take it
All those working in the unorganized sector.

2. Pradhan Mantri Suraksha Bima Yojana

Features
Accidental death and disability cover of Rs 2 lakh.

Costs
Premium is Rs 12 per year.

Eligibility
Anybody who has a savings account in the banks that offer this scheme. Direct debit of annual premium is done. Ensure that there is sufficient amount in the bank account when the premium is due (important to remember premium date

Who should take it
Although it is for everybody, this scheme especially suits daily wage earners, drivers, security guards, newspaper vendors, vegetable vendors and others who are exposed to the risk of accidental death or disability.

3. Pradhan Mantri Jeevan Jyoti Bima Yojana

The scheme is a one-year cover Term Life Insurance Scheme, renewable from year to year, offering life insurance cover for death due to any cause. Rs.2 lakh is payable on a subscriber's death due to any cause. The premium payable is Rs.330/- per annum per subscriber. The premium will be deducted from the account holder's bank account through 'auto debit' facility in one installment, as per the consent to be given on enrollment. Members may also give one-time mandate for auto-debit every year till the scheme is in force, subject to re-calibration that may be deemed necessary on review of experience of the scheme.

Eligibility

Anybody in the age band of 18-70 years who has a savings account in a bank that offers this scheme.

Who should take it

This is a must for any member of your family who is the sole breadwinner in his or her family

How you can get it

Any bank where you have a savings account, you can take the PMJJBY. Direct debit of annual premium is done. Ensure that there is sufficient amount in the bank account when the premium is due (important to remember premium date)

4. Pradhan Mantri Jan Arogya Yojana (PM-JAY)

PM-JAY, the government health insurance scheme provides an insurance cover upto Rs 5 lakh per family, per year for secondary and tertiary hospitalization. All per-existing conditions are covered from day 1 of implementation of PM-JAY in respective States/UTs.

The health services covered under the programme include hospitalization expenses, day care surgeries, follow-up care, pre and post hospitalization expense benefits and

new born child/children services. Only families whose name is on the list are entitled for the benefits of PM-JAY. Additionally, any family that has an active RSBY card as of 28 February 2018 is covered. There is no capping on family size and age of members, which will ensure that all family members specifically girl child and senior citizens will get coverage. Beneficiaries can also call the helpline number at 14555.

PM-JAY is an entitlement-based mission. There is no enrolment process. Families who are identified by the government on the basis of deprivation and occupational criteria using the SECC database both in rural and urban areas are entitled for PM-JAY. A list of eligible families has been shared with the respective state government as well as ANMs/BMO/BDOs of relevant area.

5. Atal Pension Yojana

What It Offers

Pension between Rs 1,000 and Rs 5,000 a month.

What It Costs

For a monthly pension of Rs 1,000, a 40-year-old subscriber will have to invest Rs 291 per month for 20 years, while an 18-year-old will have to contribute Rs 42 per month for 40 years.

Who is Eligible

All individuals between 18 and 40, who will have to contribute till they turn 60.

Who should Opt for it

All individuals between the age group of 18 & 40 who are looking for a small amount of pension after the age of 60.

What is the procedure for opening APY Account?

1. Approach the bank branch where individual's savings bank account is held.

2. Fill up the APY registration form.
3. Provide Aadhaar/Mobile Number.
4. Ensure keeping the required balance in the savings bank account for transfer of monthly contribution

For joining APY, savings bank account is mandatory.

How much should I invest in APY to get the guaranteed pension of Rs. 1000?

Age of Joining	Years of Contribution	Indicative Monthly contribution
18	42	42
20	40	50
25	35	76
30	30	116
35	25	181
40	20	291

All the contributions arto be remitted monthly through auto debit facility from savings bank account of the subscriber.

Welfare Schemes



Housing for All



Pradhan Mantri Awas Yojana

LPG Cylinders for All



Pradhan Mantri Ujjawala Yojana

Electricity for All



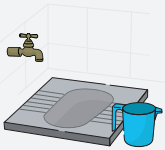
SAUBHAGYA

₹ 6,000 for Pregnant Women



Maternity Benefit

Toilet Construction



Household Toilets

Immunisation for Children



Poshan



Better Quality of Life for All

STEP 5 Welfare Schemes

15 mins

Interact

How many of you own a house?

Are you aware about the government schemes for housing, LPG, toilet, maternity benefit, electricity and child nutrition?

Show **Panel, Welfare schemes.**

How many of you want to learn about housing schemes?

Let them come up with responses.

I will now tell you about some of the Welfare Schemes

1. Pradhan Mantri Awas Yojana (PMAY) (Urban)

Pradhan Mantri Awas Yojana - PMAY (pmaymis.gov.in)

With a vision of 'Housing for All by 2022', Government has launched a flagship program 'Pradhan Mantri Awas Yojana - Housing for All (Urban)' to meet the housing shortage among the urban poor. PMAY envisages construction of 2 Crore houses with basic amenities

Benefits

"In-situ" Slum Redevelopment

1. Slum redevelopment grant of Rs. 1 lakh per house is admissible for all houses built for eligible slum dwellers using land as Resource with participation of private developers.
2. This grant can be utilized by States/UTs for any of the slum redevelopment projects.
3. After Redevelopment, de-notification of slums by State/UT Government

Credit Linked Subsidy Scheme:

1. For EWS/LIG Central assistance is provided in form of interest subsidy @6.5% on home loans upto Rs. 6 lakh availed for new construction (including re-purchase) and addition of rooms, kitchen, toilet, etc to existing dwellings as incremental housing for EWS households (annual income upto Rs. 3,00,000; carpet area of house upto 30 sq.m.) and LIG households (annual income between Rs.3,00,001-6,00,000; carpet area of house upto 60 sq.m.)
2. For MIG - I Central assistance is provided in form of interest subsidy @4% on home loans upto Rs. 9 lakh availed for new construction (including re-purchase) for MIG-I households (annual income between Rs.6,00,001-12,00,000; carpet area of house upto 90 sq.m)
3. For MIG - II Central assistance is provided in form of interest subsidy @3% on home loans upto Rs. 12 lakh availed for new construction (including re-purchase) for MIG-II households (annual income between Rs.12,00,001-18,00,000; carpet area of house upto 110 sq.m)

Affordable Housing in Partnership with public or private sector:

1. Central Assistance of Rs. 1.5 Lakh per EWS house is provided by GoI.
2. Project must have at least 35% of the houses for EWS category

Beneficiary-led individual house construction/enhancements:

1. Central assistance of Rs. 1.5 lakh is available to individual eligible EWS families

Eligibility Coverage:

1. All Statutory Towns as per Census 2011 and towns notified subsequently.
2. If citizen is from slum: ISSR (Insitu slum rehabilitation component)
3. If Citizen is from non slum:
    a. Has land of his own and interested in construction: Beneficiary led construction BLC (new construction) incase existing structure is kutcha or semi pucca, BLC(enhancement) incase existing structure is pucca and enhancement of minimum 9 sqm and max area after enhancement should not be more than 30 sqm
    b. Can afford to construct/purchase/enhance house using housing

loan:Select CLSS Credit Linked Subsidy Scheme. Ctdable Housing in Partnership AHP Component

4. Income Criteria:

Household income

a. 0-25000 per month: Any component can be selected
b. 25001-50000 per month: Only CLSS EWS/LIG component can be selected
c. 50001 - 1,00,000 per month: CLSS MIG-I
d. 1,00,001 - 1,50,000 per month: CLSS MIG-II

Where to Apply:

1. Online Applications:

a. Online registration can also be made by eligible beneficiaries through the Ministry's website. On website form is available at http://www.pmaymis.gov.in/- Do not have to pay anything. Please note form cannot be filled for income group greater than 50000 per month. However, potential beneficiaries opting for Credit Linked Subsidy Scheme are requested to approach a bank/HFC of their choice and location as per the list provided at http://www.mhupa.gov.in/User_Panel/UserView.aspx?TypeID=1499
b. Beneficiary share will be told by ULB/Municipality in case you are given a benefit under the scheme. Currently this is only application for interested applicants

2. Offline Applications:

a. Registration is also facilitated by the State / UT Governments at their Common Service Centers (CSCs) at a nominal charge of Rs.25/- (Rupees twenty five only) plus service tax.
b. CSC locator available at http://www.apnacsconline.in/csc-locator/

Documents required :

Aadhaar Number is mandatory for Citizen to apply online. Please get Aadhaar number from nearest CSC. CSC locator available at http://www.apnacsconline.in/csc-locator/

Complaints:

1. CLSS help line numbers are: Help line Numbers for CLSS: NHB: 1800-11-3377, 1800-11-3388, HUDCO:1800-11-6163
2. Contact your municipality in a division who is in-charge of PMAY(U).

Interact

How many of you have cooking gas facility at home?

How many of you still use woods or cow dung for cooking? Are you aware about government schemes for connecting gas?

2. Pradhan Mantri Ujjwala Yojana (PMUY)

Is the government's flagship programme to provide free cooking gas (LPG) connections. The PMUY scheme targets to reach out to provide free LPG connections to 80 million families by 2020.

Pradhan Mantri Ujjwala Yojana is an ambitious social welfare scheme of Government of India, launched on 1st May 2016. Under this scheme, the government aims to provide LPG connections to BPL households in the country. Ujjwala Yojana is aimed at providing 5 Crore LPG connections in the name of women in BPL (Below Poverty Line) households across the country.

Website

www.pmujjwalayojana.com

District Nodal Officer

http://www.pmujjwalayojana.com/downloads/DNOs%20List.xls

Toll Free No.

1800 266 6696

Scheme Objectives & Benefits

1. Empowering women and protecting their health
2. Reducing the serious health hazards associated with cooking based on fossil fuel
3. Reducing the number of deaths in India due to unclean cooking fuel
4. Preventing young children from significant number of acute respiratory illnesses caused due to indoor air pollution by burning the fossil fuel

Scheme Eligibility

Below listed are the basic eligibility criteria for the scheme:

1. The applicant's name should be in the list of SECC-2011 data
2. The identification of eligible BPL families will be made based on SECC-2011 data
3. The applicant should be a woman above the age of 18 years
4. The women applicant should belong to BPL (Below Poverty Line)
5. The women applicant should have a saving bank account in any nationalized bank across the country
6. The applicant's household should not already own a LPG connection in anyone's name
7. Detailed eligibility criteria at " http://www.pmujjwalayojana.in/pradhan-mantri-ujjwala-yojana-eligibility-criteria/

How to Apply

1. Fill-up the 2-page Ujjwala Yojana KYC application form
2. Download KYC Application forms for Ujjwala Yojana by clicking here
3. Basic details such as Name, contact details, Jan Dhan/ Bank account number Aadhar card number etc. are required to fill in the application form
4. Mention the requirement of cylinder type i.e. 14.2KG or 5KG
5. Attach required documents along with the form
6. Submit the filled-up form with required documents to nearest LPG outlet

Documents Required

Below is the list of mandatory documents to be attached along with the filled application form:

1. BPL Certificate Authorized by Panchayat Pradhan/ Municipality Chairman
2. BPL Ration Card
3. One Photo ID (Aadhar Card or Voter ID Card)
4. One Recent Passport Size Photograph
5. View the complete list of documents for Ujjwala Yojana application which can be attached based on requirement.

3. Saubhagya Scheme

This scheme, launched on September 25, 2017, is to provide energy access to all by last mile connectivity and electricity connections to all remaining un-electrified households in rural as well as urban areas to achieve universal household electrification in the country. Scheme aims to achieve 24x7 power for all by 2019 by providing electricity connection to each household across the country.

Scheme Benefits & Features

1. There is no upfront fee or charges for obtaining electricity connection under Saubhagya
2. Non-poor households will have to pay 10 installments of Rs. 50 each along with the bill each month (total Rs. 500).
3. Aadhaar number is not compulsory for obtaining electricity connection
4. Under Saubhagya, electricity connections shall be released by drawing a service cable from the nearest pole to the household premise including erection of pole, conductor etc., if required
5. It also covers installation of energy meter, single point wiring along with a LED bulb, mobile charging points and switch etc. at no cost to the user

6. However, if the household desires to use more power points, the additional wiring and appliances etc. would have to be arranged by the household itself
7. Every household and consumer shall have to pay for the consumption as per the tariff of the DISCOM based on metered consumption
8. There is no provision in the scheme to provide free power to any category of consumers.
9. For the households located at the remote and inaccessible areas where grid extension is not feasible or cost effective, SPV based stand-alone system shall be provided. Such households shall be provided 5 LED Bulbs, 1 DC fan and 1 DC Power plug free of cost.

Scheme Eligibility

1. All un-electrified households in rural areas as well as poor un-electrified households in urban areas are eligible for electricity connection as per the scheme guidelines.
2. Citizen will not be eligible to get new connection under Saubhagya, if the earlier connection was disconnected due to default in payment of electricity bill and dues are still outstanding or not paid till date

How to Apply under Saubhagya

1. DISCOM of the area would organize camps in villages/ cluster of villages and prior information about such camps would be widely publicized
2. Citizens need to simply approach DISCOM officials in the camp and the application for the connection shall be registered on spot
3. Electricity connection shall be released by the DISCOM after due verification, mostly on spot
4. Information about the camp can also be sought by approaching the nearest DISCOM office for necessary guidance

Documents Required

Any proof of identity like Voter ID/ Passport/ Driving License/ Ration Card/ Aadhaar Card etc. is sufficient to apply for electricity connection\\

4. Pradhan Mantri Matri Vandana Scheme

- From 01.01.2017, the Maternity Benefit Programme is implemented in all the districts of the country. The programme is named as 'Pradhan Mantri Matru Vandana Yojana' (PMMVY). Under PMMVY, a cash incentive of ` 5000/- is provided directly to the Bank / Post Office Account of Pregnant Women and Lactating Mothers (PW&LM) for first living child of the family subject to fulfilling specific conditions relating to Maternal and Child Health.
- PMMVY is implemented using the platform of Anganwadi Services scheme of Umbrella ICDS under Ministry of Women and Child Development in respect of States/ UTs implementing scheme through Women and Child Development Department/ Social Welfare Department and through Health system in respect of States/ UTs where scheme is implemented by Health & Family Welfare Department.
- PMMVY is implemented through a centrally deployed Web Based MIS Software application and the focal point of implementation would be the Anganwadi Centre (AWC) and ASHA/ ANM workers.

5. Poshan Scheme

The goals of Poshan Scheme is to achieve improvement in nutritional status of Children from 0-6 years, Adolescent Girls, Pregnant Women and Lactating Mothers in a time bound manner during the next three years beginning 2017-18. The programme through the targets will strive to reduce the level of stunting, under-nutrition, anemia and low birth weight babies.

The scheme is a comprehensive approach towards raising nutrition level in the country on a war footing. The benefits available under the programme are:

Adolescent Nutrition: Screening of Anemia, Micro-nutrient supplementation, De-worming, Nutrition Health Education

Maternal Nutrition: Micro-nutrient supplementation (Iron & Folic Acid, Calcium & Deworming), Nutrition Counseling, Family Planning

Child Nutrition: Immunization, Promotion of Breastfeeding and Age appropriate complementary feeding, De-worming, Zinc Supplementation during Diarrhea

How to avail benefits: Contact Asha or Anganwadi worker or your nearest health care centre.

6. Individual Household Laterine (IIHL) Scheme

A nominal subsidy in the form of incentive is given to the poor households for construction of toilets. The key intervention areas have been identified as Individual Household Latrines (IHHL), School Sanitation & Hygiene Education, Community Sanitary Complex and Anganwadi Toilets.

States will contribute a minimum of Rs 2,667 per IHHL towards individual toilets to match Central Share of Rs 4,000 per IHHL. For UTs without legislature, Central share will be 100% (Rs 4000 per IHHL) and UT share of Rs 1333 will also be borne by the Centre. For UTs with legislature, Central share will be Rs 4,000 per IHHL and UT share will be Rs 1,333 per IHHL. For North Eastern and Himalayan states, the Central share will be Rs 10,800 per IHHL, and state share will be Rs 1,200 per IHHL.

Final Verification of the construction of the household toilet should be supported by locationbased technologies, wherein self-attested geo-tagged photographs of the construction, along with the applicant are taken out. These photographs must be uploaded to the SBM (Urban) MIS and be monitored by the ULBs and the States.

All financial incentives will be deposited directly (by electronic clearing service) into the bank accounts of the beneficiary households (including accounts opened under the Pradhan Mantri Jan Dhan Yojana)

All Indian citizens can fill application form online for IHHL scheme. After that concerned officer of local body will verify the application and fund for toilet construction will be transferred in the beneficiary bank account.

Pre-Requisites for filling up IHHL Application

1. Scanned copy of Applicant's Photograph (Mandatory).
2. Bank Account Details (Mandatory).
3. Scanned copy of First Page of Bank Passbook showing Account Details (Mandatory).
4. If Applicant does not have Aadhaar No. then copy of Aadhaar Enrollment Slip is required

Portal to apply

http://swachhbharaturban.gov.in/ihhl/

Summarize

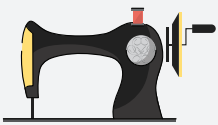
We have looked at various welfare schemes by government which can help us living a better quality of life. Pragati Didi says, Get Better Quality Of Life For All Getting Benefits Of Government Schemes.

NEXT ⟶
Step 6 : Business Loan

Business Loans

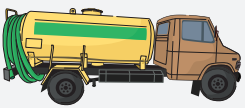


₹ 10,00,000



MUDRA

₹ 25,00,000



PMEGP



Get Loans from Government Schemes at Low Rate of Interest

STEP 6 Business Loan

15 mins

Interact

How many of you want to start enterprise?

We will see how to get loans from various government schemes.
Show panel **Business loans**

1. Pradhan Mantri MUDRA Yojana (PMMY)

Under the aegis of Pradhan Mantri Mudra Yojana (PMMY), MUDRA has created products / schemes. The interventions have been named 'Shishu', 'Kishor' and 'Tarun' to signify the stage of growth / development and funding needs of the beneficiary micro unit / entrepreneur and also provide a reference point for the next phase of graduation / growth to look forward to :

Shishu

covering loans upto Rs 50,000/-

Kishor

covering loans above Rs 50,000/- and upto Rs 5 lakh

Tarun

covering loans above 5 lakh and upto 10 lakh

How to get loan

Contact nearest bank branch for Mudra Loan

2. PMEGP scheme

Prime Minister's Employment Generation Programme (PMEGP) is a credit linked subsidy programme administered by the Ministry of Micro, Small and Medium Enterprises, Government of India. Khadi & Village Industries Commission (KVIC), is the nodal agency at national level for implementation of the scheme. At state level the scheme is implemented through KVIC, KVIB and District Industries center.

The scheme is applicable to all viable (technically as well as economically) projects in rural as well as urban areas, under Micro enterprises sector.

The maximum cost of the project admissible under manufacturing sector is Rs.25 lakhs and business/services sector is Rs.10 lakhs.

Only one person from family is eligible for obtaining financial assistance under the scheme.

Assistance under the Scheme is available only for new projects

The assistance under the scheme will not be available to activities indicated in the negative list under the scheme.

Summarize

Pragati Didi says, **we should act smart and get loans from government schemes at lower rate of interest.**

NEXT ⟶
Step 7 : Loans for Safai Karmchari

Loans for Safai Karamchari

₹ 15,00,000



Term Loan

₹ 60,000 for a Small Business



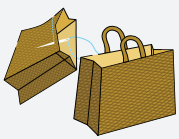
Micro Credit

₹ 60,000 for Business



Mahila Samridhi Yojana

₹ 1,00,000 for Business



Mahila Adhikarita Yojana

₹ 10,00,000 for Education



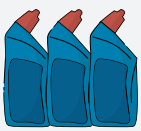
Education Loan

₹ 25,00,000 for Pay and Use Toilets



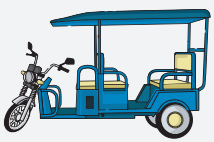
Swachhta Udyami Yojana

₹ 15,00,000 for Sanitary Marts

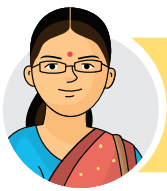


Sanitary Marts Scheme

₹ 2,00,000 for Green Business



Green Business Scheme



Loans for Safai Karamcharis at Low Rates of Interest

27

STEP 7 Loans for Safai Karmachari

15 mins

Interact

How many of you are a safai kamarchari?

All the safai karamchari re eligible to receive loans under various government schemes for different programs. We will see what are different programs under which you can benefit.

1. Term Loan (TL)

Under this scheme, term loans are extended through State Channelising Agencies (SCAs) to the target group. The list of channelising agencies state-wise is available on NSKFDC website. Maximum loan limit is Rs.15.00 lac per unit for any viable income generating schemes including sanitation related activities.

Promoter's contribution is not insisted upon for project costing upto Rs.2.00 lac. For more than Rs.2.00 lac project cost cases, minimum promoter's contribution insisted by NSKFDC from the beneficiaries is 5%.

Term loan can be provided up to maximum of 90% of the unit cost and the remaining 10% is to be provided by the State Channelising Agencies in the form of loan, subsidy and promoter's contribution, if any, and all other available sources of funds.

Amount of loan from NSKFDC per project/ unit	Interest Chargeable from	
	SCA	Beneficiary
Upto Rs. 15.00 Lac*	3% p.a.	6% p.a.

Repayment period

5 years after moratorium of 6 months and implementation period of 3 months from the date of disbursement of loan.

2. Micro Credit Finance (MCF)

Loans to target groups through State Channelising Agencies (SCAs) are provided for projects costing upto Rs.6.00 lac for a group of 10 borrowers restricted to Rs.60,000/- per borrower as well as Rs.60,000/- on individual basis.

Amount of loan from NSKFDC per project/ unit	Interest Chargeable from	
	SCA	Beneficiary
Upto Rs.6.00 Lac per group of 10 members and Rs.60,000/- per beneficiary / unit	2% p.a.	5% p.a.

Promoter's contribution is not insisted upon from the beneficiaries under MCF Scheme

Loan component from NSKFDC can be provided up to maximum of 90% of the unit cost and the remaining 10% is to be provided by the State Channelising Agencies in the form of loan, subsidy and all other available sources of funds.

Repayment period

3 years after moratorium of 6 months and implementation period of 4 months from the date of disbursement of loan.

3. Mahila Samridhi Yojana (MSY)

Loan under this scheme is provided to Safai Karamchari and Scavenger and their dependents for projects with a maximum project cost up to Rs.60,000/- for small and petty trade/business and sundry income generating activities.

Amount of loan from NSKFDC per project/unit	Interest Chargeable from	
	SCA	Beneficiary
Upto Rs. 60,000/- per beneficiary / unit	2% p.a.	4% p.a.

Promoter's contribution is not insisted upon from the beneficiaries under MSY Scheme

Loan component from NSKFDC can be provided up to maximum of 90% of the unit cost and the remaining 10% is to be provided by the State Channelising Agencies in the form of loan, subsidy and all other available sources of funds.

Repayment period:

3 years after moratorium of 6 months and implementation period of 4 months from the date of disbursement of loan.

4. Mahila Adhikarita Yojana (MAY)

Term loan assistance under Mahila Adhikarita Yojana for engaging in small and petty trade/business and sundry income generating activities is provided to the SCAs for projects costing upto Rs.75000/- and is provided to Safai Karamchari and Scavenger women and their dependent daughters.

Amount of loan from NSKFDC per project/unit	Interest Chargeable from	
	SCA	Beneficiary
Upto Rs. 1,00,000/- per beneficiary / unit	2% p.a.	5% p.a.

Promoter's contribution is not insisted upon from the beneficiaries under MAY

Scheme
Loan component from NSKFDC can be provided up to maximum of 90% of the unit cost and the remaining 10% is to be provided by the State Channelising Agencies in the form of loan, subsidy and all other available sources of funds.

Repayment period
5 years after moratorium of 6 months and implementation period of 4 months from the date of disbursement of loan.

5. Education Loan
Education Loan is being extended to the students from the community of Safai Karamcharis\Manual Scavengers & their dependents for pursuing professional or technical education and also for higher study in Engineering, Medical, Management, Law, Diploma in Physiotherapy, Pathology, Nursing, Diploma in Hotel Management & Tourism, Geriatric Care & Academic courses at Graduate & Post Graduate level like Bachelor of Education, Ph. D., Language Courses, BCA, MCA, Diploma in Journalism and Mass Communication etc.

Amount of loan from NSKFDC per project/unit	Interest Chargeable from	
	SCA	Beneficiary
90% of the total expenditure on Education	1% p.a.	4% p.a. and 0.5% rebate for women candidates

The balance 10% share is borne by the Student / SCA.

Repayment period
5 years after co-termination of course with moratorium period of 6 months.

6. Swachhta Udyami Yojana

Term loans are extended under the scheme to the target group for Construction, Operation and Maintenance of Pay and Use Community toilets in Public Private Partnership (PPP) Mode upto a maximum of Rs. 25 lacs and for Procurement & Operation of Sanitation related Vehicles upto a maximum of Rs. 25 lacs.

Rate of interest charged is 4% p.a. (with 1% rebate for women beneficiaries and 0.5% rebate for timely repayment).

The repayment period

Upto 10 years.

Besides, subsidy of Rs.3.25 lacs is also available in case of Manual Scavengers under Self Employment Scheme for Rehabilitation of Manual Scavengers (SRMS) in accordance with the "Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013.

7. Sanitary Marts Scheme

Besides, subsidy of Rs.3.25 lacs is also available in case of Manual Scavengers under Self Employment Scheme for Rehabilitation of Manual Scavengers (SRMS) in accordance with the "Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013. "

Objective	Under the scheme, financial assistance would be extended to individual beneficiaries/self help groups of Liberated Manual Scavengers/Safai Karamcharis and their dependents for setting up of Sanitary Marts .

Quantum of Loan	90% of total cost with a maximum of Rs. 15 lac.
Promoters' Contribution	10% of the total cost of a Sanitary Mart will be brought in by the beneficiaries
Interest	Interest payable by the beneficiaries shall not exceed 4% p.a. (1% p.a. rebate for women beneficiaries and 0.50% rebate for timely repayments.)
Repayment	Term loans drawn from NSKFDC will be required to be repaid upto 10 years in quarterly installments.

8. Green Business Scheme

Climate change, which has become one of the greatest challenges for the world, is the consequence of unchecked pollution. With a view to mitigate the impact of climate change on human beings, it is necessary to bring down pollution level, for which it is necessary to promote such business activities which can tackle the climate change and also help in income generating.

Objective	To provide financial assistance in the form of loan for the activities so as to tackle the climate change along with income generation. The income generating activities which could mitigate the Green House effect or could be classified under adaptation initiatives would be covered under the scheme.

Eligibility	Safai Karamcharis, Scavengers and their dependents
Indicative Schemes	Battery electric vehicle(E-rickshaw), Compressed air vehicle, Solar energy gadgets, Poly houses
Quantum of Loan	90% of the unit cost with a maximum of Rs. 2 lac. Quantum of loan shall, however, be reduced to the extent of the amount of subsidy available, if any.

Where to approach for Loan

Contact Channelizing agencies in each state for NSKFDC. The list is available on: https://nskfdc.nic.in/en/content/home/list-channelizing-agencies

Summarize

Pragati Didi says, **we must capture government benefits designed Special loans for safai karamcharis at low very rate of interest.**

Conclude The Module

Pragati Didi's five strategies towards Reaping the benefits of wise decisions in life

1. **Make yourself Aware of the Numerous Government Schemes**
2. **Reap the benefits of Government Entitlements**
3. **Better quality of life for all**
4. **Get Loans from Government Schemes at low rate of Interest**
5. **Loans for Safai Karamcharis at Low Rates of Interest**

4 Becoming Money Smart

TIME

1.5 hrs

MAXIMUM NO. OF PARTICIPANTS

30

MATERIALS

FLM Panels
Transparency markers
Masking tape
Flip chart paper

OBJECTIVES

By the end of the session the participants should be able to understand the following:

- **Benefits Of Maintaing Good Credit History.**
- **Importance Of Maintaing Your Personal Records**
- **Understand Digital Finance**
- **Understanding Usage Of BHIM**
- **Importance Of Internet Security**

STEPS

1. **Introduce The Session** 112
2. **Maintain Good Credit History** 116
3. **Digital Finance** 118
4. **Bhim And Internet Security** 122
5. **Recap Of Pragati Didi's Tips** 128

MODULE 4

Becoming Money Smart



28

STEP 1 Introduce the Session

15 mins

Interact

Welcome back to the learning session on financial literacy. Ask them by show of hands and seek answers from the group:

- **How does bank decide whether to give you loan or not?**
- **How many of you have mobile phones with Internet?**
- **Do you know what is KYC?**
- **How many of you know how to use money digitally or have cashless transaction?**
- **Do you use BHIM /UPI?**

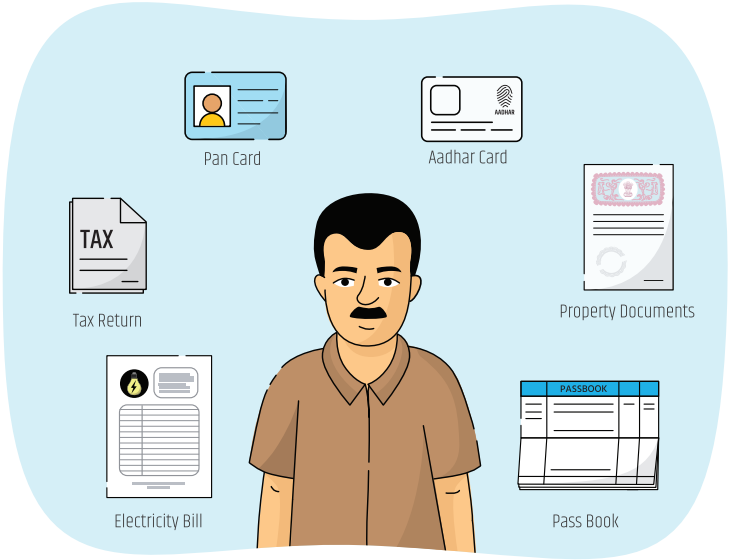
By attending this financial literacy training module, you will be able to understand concepts of managing money smartly. We will also see how we can maintain a good credit history with banks. We will understand how you can maintain your personal records. We will learn about digital finance, cashless way of handling money through application like BHIM.

We will cover the module: 4 today, for which duration of today's session shall be of 1.5 hours. I am going to unveil today Pragati Didi's tips on being money smart, through simple ways of using technology that is available easily; but you will have to be patient.

How many of you are interested in knowing these tips? (by show of hands)

So, let us begin.

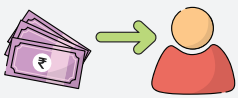
Personal Records



Avoid Frauds



Get Direct Benefit Transfers



Get Regular Mobile Updates





Maintain Personal Records for Your Safety and Benefit

29

Personal Records

Explain

What are Personal Records?

There are many kinds of personal documents which contain information about us and establish our identity and proof of existence. Such information can also contribute to continuity of business. Some of the record that you need to maintain properly are: Pan Card, Aadhaar Card, Voter id card, Bank Pass Book, Electricity Bill, ration card and Income Tax Return. These personal records have economic and legal values. These personal documents are also known as Know Your Customer (KYC) documents in banking terminology as these help the banks in identifying and knowing the customer well.

It is important that these records have correct name, address and phone number filled while these are being made, since any mismatch in spellings or facts can cause problems later. These documents are helpful in opening bank account, procuring bank loan, getting government benefits, school admission, job etc.

Try to maintain a consistent single phone number. Many of the government benefits are made available through direct benefits transfer to bank account. SMS is sent to the beneficiary too. In case there is change in mobile number and it is not updated with the bank record, you will not be able to receive the updates and information.

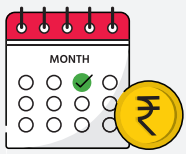
Do not give your identity cards to any person until you are sure of its usage. There are many frauds which are conducted by using other person's KYC. OTP received on the mobile during transaction banking transaction should not to be shared with anyone. These precautions can help you in preventing various frauds.

Show the Panel 29 **Maintain Personal Records for your safety and benefit**.

Regular Repayment of Loan



Track Repayment



Credit Score



More Loan





Maintain Good Credit Record 30

STEP 2 Maintain Good Credit History

10 mins

Interact

How many of them have borrowed loan from banks?

Did you face any issues while borrowing loan from banks?

List them on flip chart

Explain

Explain them that all loans that are borrowed from Banks / Financial Institutions are noted at central nodal agencies known as the Credit Bureaus. There are 4 major Credit Bureaus in India (CIBIL, HighMark, Equifax, Experian).

Explain them: Whenever a person avails loan either directly or indirectly (by way of Credit Cards), the loan gets registered through the various identity documents (viz. PAN, Aadhar, Ration Card Number, Driving License Number, Voter Id Number, etc) and all the banks are able to access the credit history.

The loan repayment transactions are recorded and based upon the history of repayment of loans, a credit score is generated.

If you have availed a loan and not repaid it, the fact gets registered under the credit history of that person with the bureau. This list of defaulters is regularly updated and shared with all Financial Institutions and Banks. Thus, in case you have defaulted in your loan repayment, you will never get another loan from any other Bank or Financial Institution.

Show, Panel 30: **Maintain Good Credit Record**;

If you have been regular in repayment of your loans your track history will be checked and you will get a good credit score. A good credit score makes a person eligible to borrow a higher amount of loan the next time you want to borrow.

Digital Finance

Making Payments Using Mobile



Using ATM for Cash Withdrawal



Using Internet Banking



Making Payments Using POS Machine





Simplify Banking with New Technology

31

STEP 3 Digital Finance

10 mins

Interact

How many of you have mobile phones with Internet?

What do you use Internet for?

List their responses on flip chart

How many of you have bank accounts?

How many of you know about ATM? Have you ever visited an ATM?

Explain

Explain them, A person holding a bank account can withdraw funds from an ATM (Automated Teller Machine) machine which is located at multiple locations.

Simplify ATM to them as, in case they have money saved in bank and need urgently, they can use the ATM debit card given by the bank to them and get money from ATM anytime of the day instead of going to the bank.

The machine dispenses money depending upon the availability of funds in the bank account with the help of Internet technology using the ATM debit Card.

What is an ATM debit card?

This is a card issued by a bank to the account holders. Using this card, one can transact through various ATMs at multiple locations.

The card has to be inserted into an ATM and it reads the information which is mentioned on the Electromagnetic strip / chip on the card. The user then selects the amount to be withdrawn and if there is sufficient balance in the bank account of the user, the machine

dispenses money that is requested after correct PIN is entered into the machine.

What is ATM PIN

PIN (Personal Identification Number) is that code which the user must not share with anyone else. This is generated by the bank for the first time through an OTP (One Time Password) and has to be reset by the user at any of the ATMs of the issuing bank. For Example, everyone now a days has password locked phone likewise, it's a password to use the ATM machine with your ATM debit card.

If the ATM debit Card is lost or stolen, the funds in the bank account are safe till the PIN is not shared with anyone. The benefit of this technology is that the card cannot be used without entering the correct PIN.

It is therefore very important that a Person must never share his / her PIN with anybody else to avoid misuse / fraudulent transactions from his / her bank account. STRESS ON NOT TO SHARE ATM PIN WITH ANYONE

Interact

How many of you know about digital finance?

If yes, how many of you use phones for online transactions?

Explain

Explain, them digital finance is When a Financial Transactions takes place without exchange of actual cash (funds), it is known as a digital financial transaction. With the technological advancements, there are many cashless modes of making payments. You need not actually carry hard cash with you for making certain financial transactions

Show, Panel **Digital Finance** and show them three different modes of using digital finance.

Elaborate and explain each in detail.

A Debit cum ATM card

It is issued by the banks to all account holders. The card can be

used at ATM to withdraw money as well as for making payments to various merchants who have a swipe card machine (POS) with them.

Technology can make our life simpler. Instead of waiting in crowd, we can easily access our bank account to withdraw or transfer money by click of a button. There are many applications through which money can be transferred using mobile.

The payments can also be made through Internet banking websites of various banks as well as Apps of various banks through smart phones. All the major banks in this country have developed applications (Apps) for smart phone users to make financial transactions.

Payment Apps

There are many payment Apps available for Smart Phone Users for making the payments digitally. The user has to link his / her bank account using debit/ ATM card number to the App and money can be transferred through the App digitally. Many of these Apps also have their own wallets wherein the user can transfer funds from their bank accounts to the Digital Wallets and from the Digital Wallets, the funds can be further transferred to the beneficiaries for making various payments of utilities, groceries, restaurants, movies, shopping, hospitals, medicines, petrol pumps, etc. A few examples of such Apps are: Bhim UPI, Paytm, PayUMoney, Phonepe, Freecharge, Mobikwik, Citrus, HDFC Chillr etc.

Through Internet banking money can be transferred or bills can be paid. Be sure to get Internet banking user id and password.

POS machine can be used for merchant transactions. In case you are a seller of a product have a business try to use POS machine. This will make your payments cashless, you will also have formal record of all billings. This can also help you in getting loan from banks as it will give full record of your sales.

Summarize

Pragati Didi says: Simplify Banking with Technology.

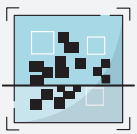
BHIM & Digital Security



Send Money



Scan and Pay



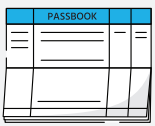
Request Money



Profile



Bank Account



Internet Security





BHIM Easiest Way to Handle Money

32

STEP 4 BHIM and Digital Security

15 mins

Interact

Are you aware of BHIM? How many of you use BHIM?

Explain

Bharat Interface for Money (BHIM) is a payment app that lets you make simple, easy and quick transactions. You can make direct bank payments to anyone on UPI using their UPI ID or scanning their QR with the BHIM app. You can also request money through the app from a UPI ID.

Pioneered and developed by Government of India to bring in Financial Inclusion to the nation and a digitally empowered society.

Show Panel 32 **BHIM and digital Security.** Explain transactions that can be carried out using BHIM:

Send Money
This enables a user to send money using Virtual Payment Address (VPA) or combination of Account Number and IFSC or even by scanning a QR Code.

Scan & Pay
Customers can pay by scanning the QR code through 'Scan & Pay' and generate QR codes in the app for making payments.

Request Money
This feature enables a user to initiate a collect request by entering Virtual Payment Address (VPA). Additionally, through BHIM App, one can also transfer money using Mobile if it is registered with BHIM or *99#. Also, it is mandatory that the customers mobile number is linked with the bank account.

Profile

Profile option helps the user to view the static QR code and Payment addresses created. The QR code is downloadable and could be shared through various messenger applications like WhatsApp, Email etc.

Transaction History

This option allows a user to check transaction history. It also highlights pending UPI collect requests (if any) so that a user can approve or reject the payment requests. There is a report issue tab if a customer is willing to raise any complaint pertaining to transactions.

Bank Account

Using this Option, a customer can check the bank account which is linked with the BHIM App along with PIN status. Customer can set/ change the UPI PIN, bank account linked with BHIM App by clicking 'Change Account' tab provided in the menu. This feature also helps a user to check their account balance.(You can download NPCI Bhim App video from internet and show it to the participants; Link: bit. ly/2uIGgFJ).

Stress on that bhim is a unique payment solution which can be used without internet as well.

You can dial *99# from any phone and avail the same features of BHIM on your phone without it being a smart phone or without using Internet. The user does not compulsorily require to download the application.

The users of BHIM are also eligible to receive certain cash back upon making 10 successful transactions of sending money through the App.

Summarize

Pragati Didi says, BHIM is the easiest way for transaction and handling of money.

Explain

With usage of digital finance, we must ensure to protect our passwords and security so that nobody misuses our account.

Now that most banks in the country offer Internet banking, a facility through which financial transactions can take place 24 x7 without visiting the bank branch, every individual is empowered by using the banking technology for ease of transactions.

Two very important factors in the Internet Banking are:

User Id

The user id is provided by the bank and it is important that the customer does not share it with anyone else. In case the customer forgets the user id, then he / she has to visit the bank branch with appropriate IDs and request for the same, which the banks normally issue in a time span of 24 hours to 15 days.

Password

The password of the Internet banking platform is very important and must be preserved very securely. Sharing of password is strictly NOT advisable. Normally all financial frauds (resulting in Internet banking scenario) take place due to password being shared by the users to outsiders either on phone or through sms / whatsapp messages.

In case a person forgets the password, he / she can call up the Phone Banking Section of the Bank and reset it or else he / she has to visit the branch, prove his / her identity and complete the formalities for a new password.

Stress on if you receive any call asking for your bank details, password, saying they are calling from bank; never share details. Banks never makes call or messages to ask your account details and password.

Summarize

Pragati Didi advises to **Simplify Banking With New Technology**

Conclude The Module

Pragati Didi's strategies for handling money smartly

1. Maintain Personal Records for your safety and Benefit
2. Maintain Good Credit Record
3. Simplify Banking with Technology
4. BHIM Easiest way to Handle Money

NEXT ⟶
Step 5 : Recap of Pragati Didi's Tips

Financial Well-Being Tips

01 Avoid Unnecessary Expenses

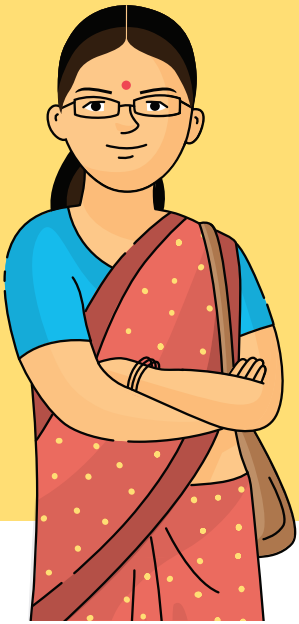
02 Maintain a Financial Diary

03 Save Regularly

04 Grow Your Money

05 Beware of Ponzi Schemes

06 Learn and Earn



07 Join a SHG and follow Panchsutra

08 Borrow at Lower Rates of Interest

09 Maintain Good Credit Record

10 Reap the Benefits of Government Entitlements

STEP 5 Recap of Pragati Didi's Tips

40 mins

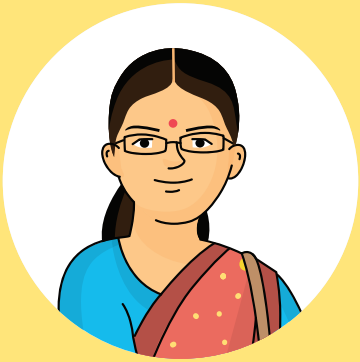
Interact

Close the last session, Module 4 by recapping on all the lessons and tips given by Pragati di.

Conclude The Program

We have gone through 4 Modules on Financial Literacy and learned many important lessons. Amongst these are 10 Golder Tips from Pragati Didi on Financial Well Being:

- Avoid Unnecessary Expenses
- Maintain a Financial Diary
- Save Regularly
- Grow Your Money
- Beware of Ponzi Schemes
- Learn and Earn
- Join a SHG and Follow Panchsutra
- Borrow at lower Rates of Interest
- Maintain Good Record
- Reap the Benefits of Government Entitlements



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Ministry of Housing and Urban Affairs
Government of India

DAY-NULM
Deendayal Antyodaya Yojana
National Urban Livelihoods Mission

150 YEARS OF CELEBRATING THE MAHATMA