

## Schemes under the Ministry of Finance

### 1. Electoral Bond Scheme

- The scheme announced during the 2017 Budget which aims to account the donations made to all major political parties.
- It helps to cleanse the system of political funding in the country.
- An electoral bond is designed to be a bearer instrument like a Promissory Note and Interest-Free banking instrument.
- The electoral bonds will have a shelf-life of **15 days** and can be purchased only from specified branches of State Bank of India.
- Electoral bonds can be bought for any value, in multiples of Rs 1,000, Rs 10,000, Rs 1 lakh, Rs 10 lakh or Rs 1 crore.
- Donors can donate the bonds to their party of choice which can then be cashed in via the party's verified account within 15 days.
- An Indian citizen or body incorporated in India will be eligible to purchase the bond.
- Electoral bonds can be used for making the donation only to the political parties registered under section 29A of the Representation of the People Act, 1951 (43 of 1951) and which secured not less than one per cent of the votes polled in the last general election to the House of the People or a Legislative Assembly.
- **These bonds will not carry the name of the payee.**

### How to donate to parties

**Electoral bonds will be available for purchase for 10 days each in the months of January, April, July and October**

- Such bonds can be purchased by any Indian citizen or a body incorporated in India
- Purchaser must pay from KYC-compliant bank account
- Can be bought for any amount in multiples of ₹1,000, ₹ 10,000, ₹1 lakh, ₹10 lakh, and ₹1 crore
- Bonds will not carry the name of the payee and will be valid for 15 days
- Can only be bought from specified SBI branches
- Can be used for donation to a registered political party only
- Can be encashed only through that party's bank account



## **2. Pradhan Mantri Vaya Vandana Yojana (PMVVY)**

- For the senior citizens aged 60 years and above
- The Scheme provides an assured return of 8% p.a. for 10 years.
- The scheme is exempted from Service Tax/ GST.
- The scheme will be operated by LIC.

## **3. Jan Suraksha Yojana**

### **(a) PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA (PMJJBY)**

- PMJJBY is a one-year life insurance scheme.
- Renewable from year to year, offering coverage for death due to any reason and is available to people in the age group of 18 to 50 years
- Premium of Rs.330/- per annum per member
- life cover of Rs. 2 lakhs

### **(b) PRADHAN MANTRI SURAKSHA BIMA YOJANA (PMSBY)**

- Premium of Rs.12 per year
- Age group 18 to 70 years
- Under it, risk coverage available will be Rs.2 lakh for accidental death and permanent total disability and Rs. 1 lakh for permanent partial disability

### **(c) Atal Pension Yojana (APY)**

- Launched in 2015 and replaced 'Swavalamban Scheme'.
- Open to all bank account holders who are not members of any statutory social security scheme.
- Focussed on all citizens in the unorganised sector
- Age Criterion-  
Minimum age- 18 years  
Maximum age- 40 years
- The Union Govt. would also co-contribute 50% of the subscriber's contribution or Rs. 1000 per annum, whichever is lower (from Financial Year 2015-16 to 2019-20. ).
- The subscribers are required to contribute the prescribed contribution amount from the age of joining APY till age 60.
- Subscribers would receive the fixed pension at the age of 60 years, depending on their contributions.

## **4. PRADHAN MANTRI MUDRA YOJANA (PMMY)**

- It was launched on 8 April 2015.
- In this scheme, the Mudra (Micro Units Development and Refinance Agency) bank has been opened to fund all MFI (Micro Financial institutions) which provide loans to the MSMEs.
- The Bank Headquarter is in Mumbai.
- The lending priority will be given to SC/ST enterprises.
- MUDRA Bank has launched three loan instruments:  
(i) **Shishu**- loans up to Rs 50,000

(ii) **Kishor**- loans above Rs 50,000 and up to Rs. 5 lakhs

(iii) **Tarun**- loans above Rs 5 lakh and up to Rs 10 lakh

### **5. Varishtha Pension Bima Yojana (VPBY)**

- To provide social security to the persons who are above or equal to 60 years.
- Implemented through LIC.
- It will provide an assured pension based on a rate of return of 9% per annum for ten years.

### **6. Sashakt: the 5-pronged strategy for NPAs**

- The government has accepted a report submitted by a committee of bankers led by Punjab National Bank chairman Sunil Mehta.
- The committee has recommended a five-pronged strategy -- Project 'Sashakt'.
- 'SASHAKT' stands for strengthening and the whole objective was to strengthen the credit capacity, credit culture and portfolio of public sector banks.
- The panel has recommended the creation of an AMC (Asset Management Company) under the framework of an alternative investment fund (AIF) to deal with NPA cases of more than 500 crore rupees,
- The resolution process will be entirely led by banks.

### **7. Pradhan Mantri Jan Dhan Yojana (PMJDY)**

- It is India's National Mission for Financial Inclusion to ensure access to financial services, namely Banking Savings & Deposit Accounts, Remittance, Credit, Insurance, Pension in an affordable manner.
- It was announced by the Prime Minister Shri Narendra Modi on 15th August 2014.
- It was initially launched for 4 years but later extended.
- It is run by the Department of Financial Services, Ministry of Finance.
- The account can be opened in any bank branch or Business Correspondent (Bank Mitra) outlet.
- The accounts opened under PMJDY are being opened with Zero balance.

### **Important Provisions**

- **Eligibility:** Minimum Age: 18 Years  
Maximum Age: 60 Years
- Focused on opening basic bank accounts and RuPay debit card with an inbuilt accident insurance cover of Rs 1 lakh.
- Overdraft Facility: 5000 Rs.
- Upper cap on balance at ₹50,000 is a constraint for users.

### **New Changes:**

- **Eligibility:** Minimum Age: 18 Years  
Maximum Age: 65 Years
- Overdraft Facility: 10000 Rs.
- Accidental insurance cover for new RuPay Cardholders has been raised from **1 lakh to Rs. 2 lakh.**

## **8. National Pension System (NPS)**

- It is easily accessible, low cost, tax-efficient, flexible and portable retirement savings account.
- It was launched in 2004 and was initially introduced for new Government recruits (except armed forces).
- It aims to institute pension reforms in the country and to inculcate the habit of saving for retirement amongst the citizens.
- Its objective is to provide retirement income to all the citizens. Under it, the individual contributes to his retirement account.
- It was extended for all citizens of the country from May 2009 including the unorganised sector workers on a voluntary basis.
- NPS is governed and administered by the Pension Fund Regulatory and Development Authority (PFRDA).
- Currently, any Indian between the age of 18 to 65 years may voluntarily join the NPS.
- NRI can open an NPS account, however, contributions made by NRI are subject to regulatory requirements as prescribed by RBI and FEMA from time to time.

## **9. Stand Up India Scheme**

- Standup India was launched by Prime Minister Narendra Modi on 5 April 2016 to support entrepreneurship among women and SC & ST communities.
- The scheme is anchored by the Department of Financial Services (DFS), Ministry of Finance, Government of India.
- Stand-Up India Scheme facilitates bank loans between Rs 10 lakh and Rs 1 Crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one woman borrower per bank branch for setting up a greenfield enterprise.

## **10. Gold Monetisation Scheme**

- It was launched in the year 2015.
- It is a gold savings account which will earn interest for the gold that you deposit in it.
- Interest range- 2.25-2.50 %
- The tenure of gold deposits is likely to be for a minimum of one year.
- The long-term objective is to reduce the country's reliance on the import of gold to meet domestic demand.
- Apart from individual and joint depositors, the scheme could now be availed by charitable institutions, the central government, the state government or any other entity owned by the central government or the state government.

## **11. Sovereign Gold Bond Scheme**

- To be issued by Reserve Bank India on behalf of the Government of India.
- **Eligibility:** The Bonds will be restricted for sale to resident entities including individuals, HUFs, Trusts, Universities & Charitable Institutions.
- **Denomination:** The Bonds will be denominated in multiples of the gram(s) of gold with a basic unit of 1 gram.
- **Tenor:** The tenor of the Bond will be for a period of 8 years with the exit option in 5th, 6th year and 7th year to be exercised on the interest payment dates.
- **Minimum size:** Minimum permissible investment will be 1 gram of gold.

- **Maximum limit:** The maximum limit of subscribed shall be 4 KG for the individual.
- 4 Kg for HUF and 20 Kg for trusts and similar entities per fiscal (April-March) notified by the Government from time to time.
- **Joint holder:** In case of joint holding, the investment limit of 4 KG will be applied to the first applicant only.
- **Issue price:** Price of Bond will be fixed in Indian Rupees on the basis of the simple average of closing price of gold of 999 purity.

## **12. Kisan Credit Card**

- The scheme aims at providing adequate and timely credit support from the banking system under a single window with flexible.
- The farmers eligible under the KCC scheme include small farmers, marginal farmers, share croppers, oral lessee and tenant farmers.
- The Self Help Groups (SHGs) or Joint Liability Groups (JLGs) are also eligible for availing benefits under the scheme

## **13. Project Shaksham**

- It is for the creation of a New Indirect Tax Network (System Integration) of the Central Board of Excise and Customs.
- The project will help in :
  - (a) Implementation of GST)
  - (b) Extension of the Indian Customs Single Window Interface for Facilitating Trade (SWIFT)
  - (c) Other taxpayer-friendly initiatives under Digital India and Ease of Doing Business of Central Board of Excise and Customs.