



Dated : 31.08.2006

DEVELOPMENT CIRCULAR NO. 20/2006

(For Field Workers under 18-Tier & AMR System)

To,
All Field Workers

Dear Sir/Madam,

- Re :- 1) Introduction of a New FD Scheme &
2) Modification of RD and FD Schemes

The Company has introduced modified schemes along with a new Fixed Deposit Scheme, Future Smart Health (T-74). The schemes cater to the multiple needs of the Customers' with high add-on benefits of various types of insurance. For convenient selling of the schemes, the Field Workers' should highlight the Customers' - the benefit of insurance, other direct benefits and convenience of door-step services applicable in the respective schemes. For better understanding of our field workers the details of all modified/new schemes are mentioned herein below :

1. Names and Nos. of existing & modified schemes are as under :-

Existing				Modified	
Sl. No.	Nature of Scheme	Table Nos.	Name	Table Nos.	Name
i	RD	T-63	Peerless Smart Money Back	T-67	Future Smart Money Back
ii	RD	T-62	Peerless Future Smart Plan	T-68	Smart Swapna
iii	RD	T-59	Flexi - Life Savings Bond	T-69	Smart Sansar Plan
iv	RD	T-52	Growing Interest Scheme	T-71	Smart Sanchay
v	FD	T-61	Peerless Smart Savings Bond	T-72	Future Smart Saver
vi	FD	T-64	Peerless Multi Protector	T-73	Smart Suraksha
vii	FD	-	-	T-74	Future Smart Health

2. The salient features & terms and conditions of modified & new Schemes are mentioned in the following Chart :-

Name of Scheme, Table No. term & mode	Min. Deposit Amt. (Rs.)	Rate of Return to Cert. Holder (%)	Revival of discontinued Certificates	Premature withdrawal	Loan	Insurance Benefit*	Processing & Maintenance Chrg.
1	2	3	4	5	6	7	8
Future Smart Money Back (T-67) 6 yrs. - Mly.	Min. Rs. 250 p.m. or any higher amount in multiples of Rs. 50/-	5% yly. Compounded (Intt. will be compounded after deduction of TDS as applicable on a year to year basis)	A discontinued certificate may be revived within 12 months before money back/maturity with int. @ 8% compounded annually otherwise return @ 2% compounded annually will be given after 6 yrs.	Not allowed in this Scheme	75% of deposit after 12 months with intt. @8.75% compounded quarterly provided min. deposit is Rs. 5000/-	Life Insurance for protection of Mid term Maturity /final maturity Value. Subject to a maximum of Rs. 50000/-	A non-refundable amt. of Rs. 80/- or 16% whichever is less is payable on pro rata basis along with 1 st instalment. Remaining amt. if any, (Rs. 80/- less amt paid with 1st instalment) to be paid with 2nd instalment. Without payment of processing & maintenance charge new RD proposal will not be accepted.

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PeerlessTM
Smart Financial Solutions

Name of Scheme, Table No. term & mode 1	Deposit Amt. (Rs.) 2				Rate of Return to Cert. Holder (%) 3	Revival of discontinued Certificates 4	Premature withdrawal 5	Loan 6	Insurance Benefit* 7	Processing & Maintenance Charges 8
Smart Swapna (T-68) 6 yrs. – Mly.	Min. Rs. 300 p.m. or any higher amount in multiples of Rs. 50/- (Rs. 500 for Insurance Coverage)				5% yly. Compounded, (Int. will be compounded annually after deduction of TDS as applicable on a year to year basis)	A discontinued certificate may be revived within 12 months before maturity with interest @8% compounded annually otherwise return @ 2% compounded annually will be given after 6 years	In terms of guideline of RBI, the Company may repay the deposit amt. prematurely for certificate in force, after lock-in period of 13 months with return @ 2% compounded annually	75% of deposit after completion of 12 months with intt. @ 8.75% compounded quarterly provided min. deposit is Rs. 5000/-	Life Insurance for protection of 50%, 75%, 100% of Maturity Value (for deposit amount of Rs. 500 p.m. or above) in 1 st , 2 nd & 3 rd to 6 th year resp. Subject to a max. of Rs. 3 Lacs.	A non-refundable amt. of Rs. 80/- or 16% of 1st instalment, whichever is less will be adjusted from 1 st instalment. Remaining amt. if any, (Rs. 80/- less amt. adjusted with first instalment) will be adjusted with second instalment.
Smart Sansar Plan (T-69) 5 yrs. – Mly.	Min. Rs. 500 p.m. or any higher amount in multiples of Rs. 100/-				5% yly. Compounded, (Int. will be compounded annually after deduction of TDS as applicable on a year to year basis)	A discontinued certificate may be revived within 12 months before maturity with interest @8% compounded annually otherwise return @ 2% compounded annually will be given after 5 years	In terms of guideline of RBI, the Company may repay the deposit amt. prematurely for certificate in force, after lock-in period of 24 months with return @ 2% compounded annually	75% of deposit after completion of 12 months with intt. @ 8.75% compounded quarterly provided min. deposit is Rs. 5000/-	Life Insurance equivalent to 15,20,30,40,50 times of Monthly Deposit amount in 1 st , 2 nd , 3 rd , 4 th , & 5 th year respectively. Subject to a maximum of Rs. 3 Lacs.	A non-refundable amt. of Rs. 80/- or 16% whichever is less is payable on pro rata basis along with 1 st instalment. Remaining amt. if any, (Rs. 80/- less amt. paid with 1st instalment) to be paid with 2nd instalment without payment of processing & maintenance charge new RD proposal will not be accepted
Smart Sanchay (T-71) 7 yrs. – Qly./ Hly./ Yly.	Min amt	Qly 250	Hly 500	Yly 1000	5% yly. Compounded, (Int. will be compounded annually after deduction of TDS as applicable on a year to year basis)	A discontinued certificate may be revived within 12 months before maturity with interest @ 8% compounded annually otherwise return @ 2% compounded annually will be given after 7 years	In terms of guideline of RBI, the Company may repay the deposit amt. prematurely for certificate in force, after lock-in period of 24 months with return @ 2% compounded annually	75% of deposit after completion of 12 months with intt. @ 8.75% compounded quarterly provided min. deposit is Rs. 5000/-	Accidental Death Insurance equivalent to 5 times of 1 st year Deposit. Subject to a maximum of Rs. 50,000/-	A non-refundable amt. of Rs. 80/- or 16% whichever is less is payable on pro rata basis along with 1 st instalment. Remaining amt. if any, (Rs. 80/- less amt. paid with 1st instalment) to be paid with 2nd instalment. Without payment of processing & maintenance charge new RD proposal will not be accepted
Future Smart Saver (T-72) 3 yrs. –F.D.	One Time Rs. 500 or any higher amount				5% & 5.50% yly. Compounded on Min. deposit of Rs.500 & above Rs. 10000 resp. (Int. will be compounded annually after deduction of TDS as applicable on a year to year basis)	N.A.	In terms of guideline of RBI, the Company may repay the deposit amt. prematurely after lock-in period of 1 yr. with return @ 2% (on deposit less than Rs. 10000) & 2.5% (on deposit above Rs. 10000)	Upto 75% of deposit amt. against intt. @10% compounded hly. rest after 12 months	N.A.	N.A.
Smart Suraksha (T-73) 3 yrs. –F.D.	One Time Rs. 15000/- or higher amount in multiples of Rs. 5000/-				5.25% yly. Compounded (Int. will be compounded annually after deduction of TDS as applicable on a year to year basis)	N.A.	In terms of guideline of RBI, the Company may repay the deposit amt. prematurely after lock-in period of 1 yr. with return @ 2.25%	Upto 75% of deposit amt. against intt. @10% compounded hly. rest after 12 months	Life & Critical Illness Ins. Cover equivalent to the deposit amt. subject to a max. of Rs 2 lacs & Re1 lac respectively.	N.A.
Future Smart Health (T-74) 3 yrs. –F.D.	One Time Rs. . 10000/- or in multiples of Rs. 10000/- (Rs 20000/- for Insurance Cover)				5% yly. Compounded (Int. will be compounded annually after deduction of TDS as applicable on a year to year basis)	N.A.	In terms of guideline of RBI, the Co. may repay the deposit amt. prematurely after lock-in period of 1 yr. with return @ 2%	Upto 75% of deposit amt. against intt. @10% compounded hly. rest after 12 months	Medical Ins. Cover equivalent to deposit amt. (Rs 20000/- & above) subject to a Max.of Rs.1 Lac)	N.A.

* For easy understanding of Insurance Benefit examples have been provided in the Annexure (page no. 4)

A depositor of any age can deposit in any of our Schemes, however, to avail the Insurance Benefit offered in the respective Schemes, the age of the depositor must be 18 - 50 years at entry.

The details of Deposit Amount, Return to Certificate Holder, Joint Deposit, Grace Period, TDS, Premature Withdrawal, Revival, Loan, Call Option, Death Benefit, Insurance, Nomination, Remittance, Assignment and other related matters including general conditions of each modified Scheme will be governed by the terms and conditions of the Combined Proposal Forms of RD and FD Schemes.

3. Benefit to Field Workers -

Benefits in respect of Commission & Additional Commission, promotion & other facilities as applicable on Collection under the above RD & FD Tables will be according to the various Development Circulars - 12, 13, 14, 15, 16, 17 & 18 dated 17.07.2006.

The modified/new Schemes offer high insurance benefits for the depositors and it is expected that Field Workers will be able to mobilize deposit more effectively and efficiently.

Thanking you,

Yours faithfully,



B. LAHIRI

DIRECTOR (OPERATIONS)

Copy to: MD / DIR(CP&S) / P(F) / EVP/ ALL GMS / ALL DGMS / ALL CMs / ALL RMs / ALL ARMs / ALL BMS

Annexure

Example : Insurance Benefit

Table No. 67

1. Deposit Rs. 1000 per month excluding Processing & Maintenance Charges	
2. Total Deposit after 3 years	Rs. 36000
3. <u>Midterm Value *(80% of Deposit amount)</u>	Rs. 28800
4. <u>Maximum Amount of Insurance Cover</u>	Rs. 50,000

Case 1: Depositor expires after 12 month

Deposit Amount (excluding P. & M.Chrg)	
Rs. 1000 x 12 =	Rs. 12000
Interest on deposit @2% (approx)	Rs. 129
Amount paid by PGFI	Rs. 12129
Amount paid by Insurance Company	Rs. 16671
Payment to nominee of Depositor	Rs. 28800

Final Maturity (approx.) Rs. 50,475/-

Case 2 : Depositor expires after 48 month

Deposit Amount Rs. 1000 x 48	Rs. 48000
Less : Mid Term availed	Rs. 28800
Balance deposit with PGFI	Rs. 19200
Interest @2% for deposit (approx)	Rs. 1417
Amount paid by PGFI	Rs. 20617
Amount paid by Insurance Company	Rs. 29858
Payment to nominee of Depositor	Rs. 50475

Table No. 68

1. Deposit Rs. 1200 per month including Processing & Maintenance Charges (Tot. Maturity - Rs. 100473)	
2. <u>Maturity Value Protection in 2nd yr. (75% of Maturity Value)</u>	Rs. 75355
3. <u>Maximum Amount of Insurance Cover</u>	Rs. 3,00,000

Case 1: Depositor expires after 15th month

Deposit Amount (including P. & M.Chrg Rs. (1200 x 15)-80	Rs. 17920
Interest on Deposit @ 2% (approx.)	Rs. 450
Amount paid by PGFI	Rs. 18370
Life Insurance Amount paid by Insurance Company	Rs. 56985
Payment to nominee of Depositor	Rs. 75355

Table No. 69

1. Deposit Rs. 1500 per month excluding Processing & Maintenance Charges	
2. <u>Life Insurance upto 2nd yr. (20 times of Monthly Dep. Amount)</u>	Rs. 30000
3. <u>Maximum Amount of Insurance Cover</u>	Rs. 3,00,000

Case 1: Depositor expires after 15th month

Deposit Amount (excluding P. & M.Charge)	
Rs. 1500 x 15 =	Rs. 22500
Interest on Deposit @ 2% (approx.)	Rs. 564
Amount paid by PGFI	Rs. 23064
Amount paid by Insurance Company	Rs. 30000
Payment to nominee of Depositor	Rs. 53064

Table No. 71

1. Deposit Rs. 12000 yearly excluding Processing & Maintenance Charges	
2. <u>Accidental Death Insurance (5 times of 1st yr. Deposit Amount subject to a max. of</u>	Rs. 50,000

Case 1: Depositor expires after 1 and ½ year in a road accident

Deposit Amount (including P. & M.Charge)	
Rs. 12000 x 2)=	Rs. 24000
Interest on Deposit @ 2% (approx.)	Rs. 724
Amount paid by PGFI	Rs. 24724
Amount paid by Insurance Company	Rs. 50000
Payment to nominee of Depositor	Rs. 74724

Table No. 73

1. Deposit Rs. 100000 one time	
2. <u>Insurance Covers Equivalent to the Deposit Amount i.e. Rs. 100000</u>	
<u>Life Ins. Cover Max. Rs. 2 lacs & Critical Illness Ins. Cover Max. Rs. 1 Lac</u>	

Case 1: Depositor suffered from liver disease after 15th month and spent for Treatment & Hospitalisation

Treatment & Hospitalisation Cost	Rs. 70000
Amount paid to depositor by ITGI Company	Rs. 70000
The deposit amount of Rs. 1,00,000 paid to the depositor @ 5.25% after maturity	Rs. 1,16,591.34

Case 2 : Depositor after 15th month suffered from liver disease which includes Treatment & Hospitalisation

Treatment & Hospitalization Cost	Rs. 70,000
Amount paid to depositor by ITGI Company	Rs. 70,000
After 2 years Depositor expires	
Deposit Amount with PGFI	Rs. 1,00,000
Interest on Deposit @ 2% (approx)	Rs. 4,040
Amount paid by PGFI	Rs. 1,04,040
Amount paid by BJAZ Company due to Death	Rs. 1,00,000
Payment to nominee of Depositor	Rs. 2,04,040

Table No. 74

1. Deposit Rs. 90000 one time	
2. <u>Medical Insurance Equivalent to the Deposit Amount ie</u>	Rs. 90000
3. <u>Medical Insurance Cover Max. Rs. 1 lac.</u>	

Case 1: Depositor suffers from severe Chest Infection after 15th month and spent Rs. 85000 for Treatment & Hospitalisation

Amount paid by ITGI Company	Rs. 85,000
Deposit Amount	Rs. 90,000
Interest amount @ 5% (approx)	Rs. 14186.25
Amount paid by PGFI (On Maturity)	Rs. 1,04,186.25
Total Payments received by the Depositor	Rs. 1,89,186.25