

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:6502
ANSWERED ON:16.05.2012
SALE OF NEW PRODUCTS THROUGH POST OFFICES
Das Shri Ram Sundar;Karwariya Shri Kapil Muni

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Postal Department has entered into agreements with many organisations including financial institutions to sell their products through the post offices in the country;
- (b) if so, the details thereof;
- (c) whether the Government plans to make the postal saving schemes and other related financial products more attractive and use the services of the post offices on large scale in the country;
- (d) if so, the details thereof: and
- (e) the action taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SACHIN PILOT)

- (a) Yes Madam.
- (b) The details are given in the Annexure.
- (c) to(e) The Central and State Governments take various measures from time to time to promote and popularize small savings schemes through print and electronic media as well as holding seminars, meetings and providing training to various agencies involved in mobilizing deposits under the schemes.

Further, with a view to sustaining investor's interest in the small savings schemes, the features of the schemes are reviewed from time to time and various improvements and amendments in the schemes are introduced. With effect from 1.12.2011, the interest on Post Office Savings Account has been increased from 3.5% to 4% per annum. The maturity period of Monthly Income Scheme (MIS) and National Savings Certificate (NSC-VIII Issue) have been reduced from 6 years to 5 years. A new NSC(IX-Issue) instrument, with maturity period of 10 years, has been introduced. The annual ceiling on investment under Public Provident Fund (PPF) Scheme has been increased to Rs. 1 Lakh. Liquidity of Post Office Time Deposit (POTD)-1, 2, 3 & 5 years- has been improved by allowing pre-mature withdrawal at the rate 1% less than the time deposits of comparable maturity. For pre-mature withdrawal between 6-12 months of investment, Post Office Savings Account(POSA) rate of interest will be paid.