

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

UNSTARRED QUESTION NO:572  
ANSWERED ON:23.11.2009  
POSTAL SAVINGS SCHEMES  
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**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

- (a) whether the saving schemes of Post Offices are becoming comparatively less popular in the recent times;
- (b) if so, the details thereof such investments during the last three years and the current year;
- (c) whether the Government has any plan to popularise postal savings and to make it more attractive; and
- (d) if so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT)

(a) & (b) The popularity of savings schemes of post offices is a function of the choices available to an investor at any given time. The trend of gross small savings collections during the last three years and the current year (up to September 2009) are given below:-

Financial Year Gross collection in Small savings  
(Amount in Rs. in Crores)

2006-07	154417.29
2007-08	128971.64
2008-09	146697.43
2009-10	94239.33

(up to September 2009)

From the above figures, it may be seen that gross collection in the year 2007-08 declined in comparison to 2006-07 but increased in 2008-09 by 13.74% as compared to 2007-08. In 2009-10, the trend of increase is so far maintained.

(c) & (d) The Central and State Governments take various measures from time to time to promote and popularize small saving 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. As part of this ongoing exercise, Government has taken following steps to make the small savings schemes more attractive and investor friendly:-

(i) The restriction on opening of more than one account during a calendar month under the Senior Citizens Savings Scheme has been removed with effect from 24th May, 2007.

(ii) All categories of pensioners have been allowed to open and maintain 'Pension Account' under Post Office Savings Account Rules, with effect from 11th July, 2007.

(iii) The penalty on pre-mature withdrawal of deposits under the Post Office Monthly Income Account (POMIA) scheme has been rationalized from 3.5% to 2% on withdrawal on or before expiry of three years and 1% on withdrawal after expiry of three years.

(iv) The maximum deposit ceilings of Rs. 3.00 lakh and Rs. 6.00 lakh under the the Post Office Monthly Income Account (POMIA) Scheme has been raised to Rs. 4.50 lakh and Rs. 9.00 lakh in respect of single and joint accounts respectively.

(v) Bonus at the rate of 5% on the deposits made under Post Office Monthly Income Account (POMIA) Scheme on or after 8th December, 2007 upon the maturity of the deposit, has been reintroduced.

(vi) The benefit of Section 80C of the Income Tax Act, 1961 has been extended to the investments made under 5-Year Post Office Time Deposits Account and Senior Citizens Savings Scheme, with effect from 01.04.2007.

(vii) Measures are also taken to promote and popularize these schemes through print and electronic media as well as holding seminars and meetings, providing training to the various agencies involved in mobilizing collection in Small Savings Schemes etc.

(viii) A website of the National Savings Institute under Government of India, Ministry of Finance has also been launched to facilitate

interface with the public through wider dissemination of information on small savings and on-line registration and settlement of investor's grievances. The website address is [nsiindia.gov.in](http://nsiindia.gov.in)