

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

STARRED QUESTION NO:314
ANSWERED ON:18.03.2015
POSTAL SAVINGS SCHEME
Sawant Shri Arvind Ganpat;Teacher Smt. P.K.Sreemathi

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

- (a) whether debit/automated teller Machine cards are being considered for post office savings accounts;
- (b) if so, the details thereof along with the number of such cards issued so far, State-wise;
- (c) whether the Government proposes to administer the interest rates on postal savings schemes on the lines offered by banks;
- (d) if so, the details thereof and the present interest paid on postal savings for different instruments and the changes proposed to be made thereon; and
- (e) the action plan of the Government to boost financial savings through small saving instruments targeted at youth and girl child?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD)

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 314 FOR 18TH MARCH, 2015 REGARDING "POSTAL SAVINGS SCHEME".

(a) Yes, Madam.

(b) As a part of the IT Modernization project of the Department, it has been decided to install 1000 ATMs in selected Post Offices across the country and consequent upon installation of ATMs in post offices, to issue ATM/Debit Cards to POSB account holders. As of now the project is in pilot/testing phase under which 11 ATMs have been installed and 618 debit cards have been issued to Post Office Saving Bank Account holders. Detail of ATM/Debit cards issued state-wise is as under:

State/Circle	No of Cards issued
Bihar	4
Delhi	162
Gujarat	12
Karnataka	130
Maharashtra	35
Tamilnadu	36
Uttar Pradesh	239
Total	618

(c) & (d) Interest rates on Small Savings Schemes, operated by Department of Posts as an agency function, are reset by Ministry of Finance, every 1st April. These are Administered Interest Rates, and are benchmarked to the average annual yield on Government Securities of comparable maturity in the secondary market, with a suitable spread over the benchmark yield, depending upon the maturity and liquidity of the instruments.

The present interest paid on Postal savings for different instruments is as under:

Scheme	Rate of Interest in % w.e.f. 1.4.2014
Savings Account Deposit	4.0
1 year Time Deposit	8.4
2 year Time Deposit	8.4
3 year Time Deposit	8.4
5 year Time Deposit	8.5
5 year Recurring Deposit	8.4
5 year Senior Citizens Savings Scheme	9.2
5 year Monthly Income Accounts	8.4
5 year National Savings Certificates (VIII-Issue)	8.5

10 year National Savings Certificates (IX-Issue)	8.8
Public Provident Fund	8.7
Kisan Vikas Patra	8.7
Sukanya Samriddhi Account	9.1

(e) The Government has recently launched a new scheme "Sukanya Samriddhi Account" targeting girl child. For making this scheme more attractive, the rate of interest on this scheme has been aligned with Government Securities rates of similar maturity, with a spread of 75 basis points (bps).