

Sub: Decisions on the recommendations of the Committee for Comprehensive Review of National Small Savings Fund (NSSF).

Copies of 10 Notifications issued today (25-11-2011), indicating changes in the rules of small saving schemes, to be effective from 1st December 2011, are sent herewith.

TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART II-SEC. 3 (i)

New Delhi, the 25th November, 2011

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

G.S.R.....(E) – In exercise of the powers conferred by clause (1) of article 283 of the Constitution, the President hereby makes the following further amendments in the National Small Savings Fund (Custody and Investment) Rules, 2001, namely:-

1. (1) These rules may be called the National Small Savings Fund (Custody and Investment) Amendment Rules, 2011.
- (2) They shall come into force on the 1st day of December 2011.

2. In the National Small Savings Fund (Custody and Investment) Rules, 2001, in rule 9,-

(a) In sub-rule (1),-

(i) after the words “State Government Securities”, the words “or in any other instrument” shall be inserted;

(ii) proviso shall be omitted;

(b) For sub-rule (10), the following shall be substituted, namely:-

“(10) The amount received on maturity of the investments shall be invested in the Central Government and State Government securities. Such securities shall be issued in accordance with the provision contained in sub-rule (3). Suitable accounting entries as mentioned in sub-rule (5) and sub-rule (6) shall be made by the Chief Controller of Accounts, Ministry of Finance”.

**[F. No. 1/12/2011-NS-II]
M.A. Khan, Under Secretary**

Note: The Principal Rules were published in the Gazette of India vide Notification No. G.S.R. 114(E), dated the 27th February, 2001 and subsequently amended vide G.S.R. 587(E) dated the 12th September, 2007.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART II-SEC. 3 (i)]

New Delhi, the 25th November, 2011

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

G.S.R. (E). – In exercise of the powers conferred by section 12 of the Government Savings Certificates Act, 1959 (46 of 1959), the Central Government hereby makes the following rules further to amend the National Savings Certificates (VIII Issue) Rules, 1989, namely:-

1. (1) These rules may be called the National Savings Certificates (VIII Issue) Second Amendment Rules, 2011.
- (2) They shall come into force on the 1st day of December 2011.

2. In the National Savings Certificates (VIII Issue) Rules, 1989 (hereinafter referred to as the said rules), in rule 15,—

(a) in sub-rule (6), for the figures, letters and words “1st day of March, 2003”, the figures, letters and words “1st day of March, 2003 but before the 1st day of December, 2011,” shall be substituted;

(b) after sub-rule (6) and the Table relating thereto, the following shall be inserted, namely:-

“(6A) Where a certificate has been purchased on or after the 1st day of December, 2011 the maturity period of a certificate of any denomination, shall be five years, commencing from the date of issue of the certificate. The amount inclusive of interest, payable on encashment of the certificate at any time after the expiry of its maturity period shall be Rs 150.90 for denomination of Rs. 100 and at proportionate rate for any other denomination. The interest as specified in the Table below shall accrue to the holder or holders of the certificate at the end of each year and the interest so accrued at the end of each year upto the end of the fourth year shall be deemed to have been reinvested on behalf of the holder and aggregated with the amount of face value of the certificate.

TABLE

The year for which interest accrues	Amount of interest (rupees) accruing on certificate of Rs. 100 denomination
First year	8.58
Second year	9.31
Third year	10.11
Fourth year	10.98
Fifth year	11.92

Note: The amount of interest accruing on a certificate of any other denomination shall be proportionate to the amount specified in the Table above”.

3. In rule 16 of the said rules, in sub-rule (4),-

- (a) in clause (iv), for the figures, words and letters “1st day of March, 2003”, the figures, words and letters “1st day of March, 2003 but before the 1st day of December, 2011” shall be substituted;
- (b) after clause (iv) and the Table relating thereto, the following shall be inserted, namely:-

“(v) If a certificate is encashed under sub-rule (1) after the expiry of three years from the date of certificate purchased on or after the 1st day of December, 2011, the amount payable, inclusive of interest accrued under rule 15 and after adjustment of discount, shall be as specified in the Table below for a certificate of Rs. 100 denomination and at a proportionate rate for a certificate of any other denomination.

TABLE

Period from the date of the certificate to the date of its encashment	Amount payable inclusive of interest (Rupees)
(1)	(2)
Three years or more, but less than three years and six months	123.14
Three years and six months or more, but less than four years	127.49
Four years or more, but less than four years and six months	131.99
Four years and six months or more, but less than five years	136.65

“.

[F. No. 1/7/2011-NS-II]
M.A. Khan, Under Secretary

Note : The Principal rules were published vide G.S.R. 496(E), dated the 1st May, 1989, and subsequently amended vide: G.S.R. 508(E), dated the 23rd May, 1990, G.S.R. 120(E), dated the 8th March, 1998, G.S.R. 7(E), dated the 1st January, 1999, G.S.R. 491(E), dated the 6th July, 1999, G.S.R. 47(E), dated the 15th January, 2000, G.S.R. 156(E), dated the 1st March, 2001, G.S.R. 572(E), dated the 2nd August, 2001, G.S.R. 163(E), dated the 1st March, 2002, G.S.R. 711(E), dated the 17th October, 2002, G.S.R. 179(E), dated the 1st March, 2003, G.S.R. 590(E), dated the 25th July, 2003, G.S.R. 591(E), dated the 25th July, 2003, G.S.R. 820(E), dated the 16th October, 2003, G.S.R. 289(E), dated the 13th May, 2005 and G.S.R. 744(E), dated the 4th October, 2011.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART II-SEC. 3 (i)]

New Delhi, the 25th November, 2011

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

G.S.R (E). – In exercise of the powers conferred by section 15 of the Government Savings Bank Act, 1873 (5 of 1873), the Central Government hereby makes the following rules further to amend the Post Office Recurring Deposit Rules, 1981, namely:-

1. (1) These rules may be called the Post Office Recurring Deposit (Second Amendment) Rules, 2011.
- (2) They shall come into force on the 1st day of December 2011.

2. In the Post Office Recurring Deposit Rules, 1981 (hereinafter referred to as the said rules), in rule 9,—

- (a) in the Schedule under clause (a) of sub-rule (1), for the last entry, the following entries shall be substituted, namely:-

“From 1.3.2003 to 30.11.2011 (both dates inclusive)728.90
From 1.12.2011 onwards738.62”;

- (b) in the Schedule under clause (a) of sub-rule (2), for the last entry, the following entries shall be substituted, namely:-

“From 1.3.2003 to 30.11.2011 (both dates inclusive)728.90
From 1.12.2011 onwards738.62”.

3. In rule 10 of the said rules, in sub-rule (2), in items (a) and (c), for the words and figures “Tables 1, 2, 11, 13, 17, 20, 22, 26, 29, 32, 35, 38 or 41”, the figures and words “Tables 1, 2, 11, 13, 17, 20, 22, 26, 29, 32, 35, 38, 41 or 44” shall be substituted.
4. In rule 11 of the said rules, in sub-rule (2), in items (b) and (c), for the words and figures “Tables 3, 4, 12, 14, 18, 21, 23, 27, 30, 33, 36, 39 or 42”, the words and figures “Tables 3, 4, 12, 14, 18, 21, 23, 27, 30, 33, 36, 39, 42 or 45” shall be substituted.
5. In rule 12 of the said rules,-
 - (a) in sub-rule (1), in item (b), in sub-item (ii), for the words and figures “Tables 5, 6, 7, 8, 9, 10, 15, 16, 19, 24, 25, 28, 31, 34, 37, 40 or 43”, the words and figures “Tables 5, 6, 7, 8, 9, 10, 15, 16, 19, 24, 25, 28, 31, 34, 37, 40, 43 or 46” shall be substituted.

- (b) in sub-rule (3) and sub-rule (4), for the words and figures “Tables 5, 6, 7, 8, 9, 10, 15, 16, 19, 24, 25, 28, 31, 34, 37, 40 or 43”, the words and figures “Tables 5, 6, 7, 8, 9, 10, 15, 16, 19, 24, 25, 28, 31, 34, 37, 40, 43 or 46” shall be substituted.

6. After Table 43 of the said rules, the following Tables shall be inserted, namely:-

**“TABLE 44
(See Rule 10)**

Amount, inclusive of interest, payable on an account opened on or after the 1st day of December, 2011 and continued, with monthly deposits, beyond the maturity period or maturity period as extended under sub-rule (1) of rule 7.

Number of completed years for which the account continued	Amount (Rupees) repayable on an account of Rs. 10 denomination
One year	924.80
Two years	1126.32
Three years	1344.46
Four years	1580.58
Five years	1836.17

Note: The amount repayable on an account of any other denomination shall be proportionate to the amount specified above.

**TABLE 45
(See Rule 11)**

Amount, inclusive of interest, repayable on an account opened on or after the 1st day of December, 2011 and continued, without any fresh monthly deposits, beyond the maturity period or maturity period as extended under sub-rule (1) of rule 7.

Number of completed years for which the account continued	Amount (Rupees) repayable on an account of Rs. 10 denomination
One year	799.50
Two years	865.41
Three years	936.75
Four years	1013.97
Five years	1097.55

Note: The amount repayable on an account of any other denomination shall be proportionate to the amount specified above.

**TABLE 46
(See Rule 12)**

Amount, payable to legal heir or nominee on the death of the depositor in a Five Year Recurring Deposit Account opened on or after the 1st day of December, 2011.

Number of deposits made	Amount (Rupee) for denomination of Rs.10	No. of deposits made	Amount (Rupees) for denomination of Rs.10
1 to 11	Deposits made	36	406.44
12	125.09	37	420.48

Number of deposits made	Amount (Rupee) for denomination of Rs.10	No. of deposits made	Amount (Rupees) for denomination of Rs.10
13	135.95	38	433.33
14	146.88	39	446.27
15	157.88	40	459.29
16	168.95	41	472.40
17	180.09	42	485.59
18	191.31	43	498.88
19	202.59	44	512.25
20	213.95	45	525.70
21	225.37	46	539.25
22	236.87	47	552.89
23	248.45	48	566.62
24	260.10	49	580.44
25	272.12	50	594.35
26	283.94	51	608.35
27	295.84	52	622.44
28	307.81	53	636.63
29	319.86	54	650.92
30	331.99	55	665.29
31	344.20	56	679.76
32	356.49	57	694.33
33	368.86	58	709.00
34	381.30	59	723.76
35	393.83	60	738.62

Note: The amounts shall be proportionate for other denominations”.

[F. No. 1/7/2011-NS-II]
M.A. Khan, Under Secretary

Note : The Principal rules were published vide G. S. R. 666(E), dated the 17th December, 1981, and subsequently amended vide: - G.S.R. 301(E), dated the 1st April, 1982, G.S.R. 258(E), dated the 11th March, 1983, G.S.R. 62(E), dated the 14th February, 1984, G.S.R. 95(E), dated the 7th February, 1986, G.S.R. 194(E), dated the 13th February, 1986, G.S.R. 363(E), dated the 1st April, 1987, G.S.R. 39(E), dated the 16th January, 1988, G.S.R. 458(E), dated the 15th April, 1988, G.S. R. 708(E), dated the 21st July, 1989, G.S.R. 16(E), dated the 9th January, 1990, G.S.R. 190(E), dated the 27th March, 1991, G.S.R. 579(E), dated the 12th September, 1991, G.S.R. 918(E), dated the 11th December, 1992, G.S.R. 42(E), dated the 1st February, 1993, G.S.R. 587(E), dated the 2nd September, 1993, G.S.R. 2(E), dated the 1st January, 1999, G.S.R. 748(E), dated the 4th November, 1999, G.S.R. 44(E), dated the 15th January, 2000, G.S.R. 152(E), dated the 1st March, 2001, G.S.R. 160(E) dated the 1st March, 2002, G.S.R. 514(E), dated the 23rd July, 2002, G.S.R. 662(E), dated the 23rd September, 2002, G.S.R. 175(E), dated the 1st March, 2003, G.S.R. 588(E), dated the 25th July, 2003, G.S.R. 838 (E), dated the 27th December, 2004, G.S.R. 480(E), dated the 26th June, 2008 and G.S.R. 740(E), dated the 4th October, 2011.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART II-SEC. 3 (i)]

New Delhi, the 25th November, 2011

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

G.S.R. (E). – In exercise of the powers conferred by sub-section (4) of section 3 of the Public Provident Fund Act, 1968 (23 of 1958), the Central Government hereby makes the following further amendment to the Public Provident Fund Scheme, 1968, namely :-

1. (1) This Scheme may be called the Public Provident Fund (Amendment) Scheme, 2011.
- (2) It shall come into force on the 1st day of December 2011.
2. In the Public Provident Fund Scheme, 1968, –
 - (i) in paragraph 3, in sub-paragraph (1), for the letters and figures “Rs 70,000/-”, the letters and figures “Rs 1,00,000” shall be substituted;
 - (ii) in paragraph 11, in sub-paragraph (2), for the words “one per cent. per annum”, the words “two per cent. per annum” shall be substituted;
 - (iii) in Form-A, in paragraph (iv), for the letters and figures “Rs 70,000/-”, the letters and figures “Rs 1,00,000” shall be substituted.

**(F. No. 1/9/2011-NS-II]
M.A. Khan, Under Secretary**

Note: The scheme was notified vide G.S.R. 1136(E), dated 15.6.1968 and amended vide G.S.R. 368(E), dated 1.8.72, G.S.R. 217(E), dated 9.3.79, G.S.R.271(E), dated 16.3.83, G.S.R. 54(E), dated 7.2.84, G.S.R. 895(E), dated 23.6.86, G.S.R. 1013(E), dated 20.8.86, G.S.R. 793(E), dated 29.8.89, G.S.R. 477(E), dated 25.5.94, G.S.R. 489(E) dated 6.7.99, G.S.R. 908(E), dated 6.12.2000, G.S.R. 679(E), dated 4.10.2002, G.S.R. 768(E), dated 15.11.2002, G.S.R. 585(E), dated 25.7.2003, G.S.R. 690(E), dated 27.8.2003, G.S.R. 755(E), dated 19.11.2004, G.S.R. 291(E), dated 13.5.2005 and G.S.R. 956(E), dated 7-12-2010.

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART II-SEC. 3
(i)]**

New Delhi, the 25th November, 2011

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

G.S.R (E). – In exercise of the powers conferred by section 15 of the Government Savings Banks Act, 1873 (5 of 1873), the Central Government hereby makes the following rules further to amend the Post Office (Monthly Income Account) Rules, 1987, namely:-

1. (1) These rules may be called the Post Office (Monthly Income Account) Second Amendment Rules, 2011.
- (2) They shall come into force on the 1st day of December 2011.

2. In the Post Office (Monthly Income Account) Rules, 1987,—

- (a) in rule 8, in sub-rule (1), after clause (h) the following clause shall be inserted, namely: –

“(i) 8.2 per cent. per annum in respect of deposits made on or after the first day of December, 2011.”;

- (b) in rule 9, in sub-rule (1), the following proviso shall be inserted, namely:-

“Provided also that in respect of deposits made, at the time of opening of account on or after the first day of December, 2011, shall be paid by the post office at which the account stands to depositor on or after expiry of five years from the date of the opening of the account.:

Provided also that no bonus shall be paid on the deposits made in the accounts opened on or after the 1st day of December, 2011.”

**[F. No. 1/11/2011-NS-II]
M.A. Khan, Under Secretary**

Note : The Principal rules were published vide G. S. R. 701(E), dated the 10th August, 1987, and subsequently amended vide: - G.S.R. 805(E), dated the 21st July, 1988, G.S.R. 46(E), dated the 20th January, 1989, G.S.R. 581(E), dated the 12th September, 1991, G.S.R. 430(E), dated the 24th April, 1992,

G.S.R. 390(E), dated the 29th April, 1993, G.S.R. 585(E), dated the 2nd September, 1993, G.S.R. 5(E), dated the 1st January, 1999, G.S.R. 45(E), dated the 15th January, 2000, G.S.R. 80(E), dated the 1st February, 2000, G.S.R. 613(E), dated the 18th July, 2000, G.S.R. 153(E), dated the 1st March, 2001, G.S.R. 161(E), dated the 1st March, 2002, G.S.R. 350(E), dated the 10th May, 2002, G.S.R. 176(E), dated the 1st March, 2003, G.S.R. 758(E), dated the 23rd September, 2003, G.S.R. 288(E) dated the 13th May, 2005, G.S.R. 59(E) dated the 10th February, 2006, G.S.R. 521(E) dated the 1st August, 2007, G.S.R. 763(E) dated the 8th December, 2007 and G.S.R. 741(E) dated the 4th October, 2011.

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART II-SEC. 3
(i)]**

New Delhi, the 25th November, 2011

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

G.S.R (E), – In exercise of the powers conferred by section 15 of the Government Savings Banks Act, 1873 (5 of 1873), the Central Government hereby makes the following rules further to amend the Post Office Time Deposit Rules, 1981, namely:-

1. (1) These rules may be called the Post Office Time Deposit (Second Amendment) Rules, 2011.
- (2) They shall come into force on the 1st day of December 2011.
2. In the Post Office Time Deposit Rules, 1981:-
 - (a) In rule 7,-
 - (A) under the heading Table-Q, for the brackets, words, figures and letters “[For deposits made on or after 1st March, 2003]”, the brackets words, figures and letters, “[For deposits made on or after 1st March, 2003 but before 30th November, 2011]” shall be substituted;
 - (B) after Table-Q, the following Table shall be inserted, namely:-

“Table-R

[For deposits made on or after 1st December, 2011]

Period of deposit	Rate of Interest per cent. per annum
1 year	7.7
2 years	7.8
3 years	8.0
5 years	8.3

”;

- (C) in the Notes, in paragraph (2), for the word and letter “Table Q”, the words and letters “Table Q or Table R” shall be substituted;
- (b) in rule 8, for clause (aa) and clause (b) the following shall be substituted, namely:-

- (aa) where a deposit in 1-year, 2-year, 3-year or 5-year account is withdrawn prematurely after 6 months but before the expiry of one year from the date of deposit, simple interest at the rate applicable from time to time to post office savings account shall be payable;
- (b) where a deposit in a 2-year, 3-year and 5-year account is withdrawn prematurely after the expiry of one year from the date of deposit, interest on such deposit shall be payable to the depositor for the completed years and months falling in the period commencing on the date of deposit and ending with the date of withdrawal and such interest shall be calculated at the rate, which shall be one per cent. less than the rate specified for a deposit of 1 year 2 year or 3 years, as the case may be, in the relevant Table under rule 7.

[F. No. 1/11/2011-NS-II]
M.A. Khan, Under Secretary

Note : The Principal rules were published vide G.S.R. 664(E), dated the 17th December, 1981, and subsequently amended vide: - G.S.R. 300(E), dated the 1st April, 1982, G.S.R. 257(E), dated the 11th March, 1983, G.S.R. 502(E), dated the 9th July, 1984, G.S.R. 418(E), dated the 10th May, 1985, G.S.R. 193(E), dated the 12th February, 1986, G.S.R. 362(E), dated the 1st April, 1987, G.S.R. 1005(E), dated the 23rd December, 1987, G.S.R. 353(E), dated the 18th March, 1988, G.S.R. 507(E), dated the 23rd May, 1990, G.S.R. 191(E), dated the 27th March, 1991, G.S.R. 580(E), dated the 12th September, 1991, G.S.R. 727(E), dated the 6th December, 1991, G.S.R. 431(E), dated the 24th April, 1992, G.S.R. 586(E), dated the 2nd September, 1993, G.S.R. 118(E), dated the 8th March, 1995, G.S.R. 5(E) dated the 1st January, 1999, G.S.R. 43(E) dated the 15th January, 2000, G.S.R. 151(E) dated the 1st March, 2001, G.S.R. 159(E) dated the 1st March, 2002, G.S.R. 174(E) dated the 1st March, 2003, G.S.R. 589(E) dated the 25th July, 2003, G.S.R. 286(E) dated the 13th May, 2005, G.S.R. 479(E) dated the 26th June, 2008 and G.S.R. 742(E) dated the 4th October, 2011.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART I-SEC. 1]

New Delhi, the 25th November, 2011

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

No. F. 1/12/2011-NS-II – The Central Government hereby notifies that the authorised Standardised Agency System (SAS) and Mahila Pradhan Kshetriya Bachat Yojana (MPKBY) agents for canvassing/securing investments in the small savings schemes as per the terms of agreement executed by them under the Standardised Agency System (SAS) and Mahila Pradhan Kshetriya Bachat Yojana (MPKBY) will be paid commission at the rate indicated below:

(A) MAHILA PRADHAN KSHETRIYA BACHAT YOJANA (MPKBY)

Rate

(i)	Five-Year Recurring Deposit Account	--	4%
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(B) STANDARDISED AGENCY SYSTEM (SAS)

(i)	One-Year Time Deposit	--	0.5%
(ii)	Two-Year and 3-Year Time Deposit	--	0.5%
(iii)	Five-Year Time Deposit	--	0.5%
(iv)	Monthly Income Account Scheme	--	0.5%
(v)	Five/Six-Year National Savings Certificate (VIII-Issue)	--	0.5%
(vi)	Ten-Year National Savings Certificate (IX-Issue)	--	0.5%

2. Payment of commission on Public Provident Scheme (1%) and Senior Citizens Savings Scheme (0.5%) shall be discontinued.

3. Incentive, if any, paid by State/Union Territory Governments shall be reduced from commission paid by the Central Government.

4. These instructions shall take effect from the 1st day of December, 2011.

M.A. Khan, Under Secretary

[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART I-SEC. 1]

New Delhi, the 25th November, 2011

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

No. F. 1/10/2011-NS-II – It is notified for general information that the sale of Kisan Vikas Patras shall be discontinued with effect from the close of business on Wednesday, the 30th November, 2011.

M.A. Khan, Under Secretary

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART II-SEC. 3
(ii)]**

New Delhi, the 25th November, 2011

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

S.O. (E).— In pursuance of section 5 of the Public Provident Fund Act, 1968 (23 of 1968) the Central Government hereby notifies that the subscriptions made to the fund on or after the 1st day of December, 2011 and balances at the credit of the subscriber shall bear interest at the rate of 8.6 per cent. per annum.

**[F. No. 1/9/2011-NS.II]
M.A. Khan, Under Secretary**

Note:- The Principal notification was published in the Gazette of India vide number S.O. 48(E) dated 15th January, 2000 and subsequently amended vide S.O. 192(E) dated 1st March 2011, S.O. 271(E) dated 1st March, 2002 and S.O. 250(E) dated 1st March, 2003.

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA: EXTRAORDINARY, PART II-SEC. 3
(ii)]**

New Delhi, the 25th November, 2011

**MINISTRY OF FINANCE
(Department of Economic Affairs)**

NOTIFICATION

S.O. (E). – In pursuance of rule 6 of the Post Office Savings Account Rules, 1981, the Central Government hereby notifies that, with effect from the 1st day of December, 2011, interest on the balance at credit of an account shall be allowed at the rate of four per cent. per annum.

**[F. No. 1/10/2011-NS-II]
M.A. Khan, Under Secretary**