



**GOVERNMENT OF GOA**  
**DIRECTORATE OF HIGHER EDUCATION**

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No. Dev/MISC/GOG/GOI/13/2019/3410

Dated: 23/09/2019

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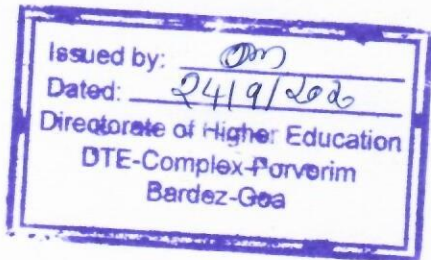
To,

1. The Registrar, Goa University, Taleigao Plateau, Goa
2. The Principals of all Aided and Government Colleges.

Sub : Regarding opening of Post Office Saving Bank Account (POSB)  
And Public Provident Fund Scheme through Post Offices by the  
Beneficiaries of Scholarship/fellowship schemes

Sir/Madam,

I am directed to forward herewith letter dated 31/07/2019 received from Deputy Secretary (Scholarship), Ministry of Human Resource Development, Department of Higher Education, Scholarship Division, New Delhi along with copy of D.O. letter No.63-02/2020-21/FS(Pt.1) dated 9<sup>th</sup> July, 2020 of the Member, Postal Services Board for information and to take necessary action at your level.



Yours faithfully,

( Vipul M. Ghare )  
Asst. Director(DEV)

Encl : as above

o/c

16-19/2020 NS-I  
Government of India  
Ministry of Human Resource Development  
Department of Higher Education  
Scholarship Division

2<sup>nd</sup> Floor, Wing-6, West Block-1, R.K. Puram,  
New Delhi-110 066  
Dated the 31 July, 2020

To

The Nodal Officers, All State Education Boards

Sub:- Regarding opening of Post Office Savings Bank Account (POSB) and Public Provident Fund Scheme through Post Offices by the beneficiaries of scholarship/fellowship schemes.

Ref:- Postal Services Board DO letter dated 09.07.2020 (copy attached)

Sir/Ma'am,

Kindly refer to the letter cited under reference on the subject mentioned above. It is stated that the Department of Higher Education, Ministry of Human Resource Development is operating Scholarship Scheme titled as 'Central Sector Scheme of Scholarships for College and University Students' and Special Scholarship Scheme for Jammu and Kashmir (exclusively for the students for Jammu and Kashmir) under both the schemes scholarship amount is transferred through Direct Benefit Transfer (DBT) programme of the Government of India.

2. Postal Services Board have mentioned that there is vast network of 1,50,000 Post Offices which are also providing banking and insurance services while they also have a robust technology platform like Core Banking Solution, Aadhaar enabled payment systems etc. The banking services may be useful for the beneficiaries of such scheme as the Post Offices have some popular small saving schemes like (i) Post Office Savings Bank Account (POSB) and Public Provident Fund Scheme (PPF).

3. Accordingly, the State Education Boards are requested that this information may be disseminated to the students of their boards and may be given wide publicity as an option along with other banks to open an account in the post office for getting scholarship through DBT mode.

4. This may be accorded 'TOP PRIORITY'.

Encl:- As above.

Yours faithfully,

*Malathi Narayanan*  
(Malathi Narayanan)  
Deputy Secretary (Scholarship)  
Tel:011- 2617 2932

Copy to:- Ms. K. Sandhya Rani, Member, Postal Services Board, Dept. of Posts, Ministry of Communications, Dak Bhawan, Sansad Marg, New Delhi-110001





के. संध्या रानी / K. Sandhya Rani  
सदस्य / Member  
डाक सेवा बोर्ड / Postal Services Board

D.O. No. 63-01/2020-21/FS (Pt.1)

Dated 9<sup>th</sup> July 2020

Dear Shri Amit Khare,

This is regarding ensuring accessible banking services to college/university students to receive their stipend, scholarship and such other allowances and benefits.

It is learnt that there are about 23 DBT schemes covering individual scholarships, fellowships, stipends, allowances, and such other benefits disbursed by the Department of Higher Education, MHRD, GOI. Safe, secure, and Aadhaar authenticated disbursal of the benefits is the expected process.

You may be aware that Post Office personnel delivered medicines, medical kits, equipment and other essential items along with disbursing cash from counters, ATMs and at the doorstep braving all odds during COVID-19 lockdown. The vast network of over 1,50,000 Post Offices provide banking and insurance services with the support of a robust technology platform including Core Banking Solution, Aadhaar enabled payment systems, ATM-cum-Debit Card, Internet Banking & Mobile Banking, etc.

Post Offices can empower youth and make them "Aatma Nirbhar" through the popular small savings instruments. I am delighted to inform that the Savings Bank instruments/ schemes useful to the college/university students are:

1. **Post Office Savings Bank Account (POSB)** can be opened in any post office, allows the students to save and withdraw their small savings. Such savings receive 4% interest, which is higher than the Bank's interest rates. Any individual scholarship, fellowship, stipend, allowances, benefits under 23 DBT schemes of the Department of Higher Education can be disbursed through POSB Accounts. Further, details are shared in **Annexure-I**.
2. **Public Provident Fund Scheme (PPF)** is very popular among working population for many years for investment and income tax rebate purposes. However, the scheme is excellent for covering students pursuing higher education. A PPF account can be opened with an initial deposit of Rs.500/-. Maximum amount that can be deposited in a PPF Account per annum is Rs.1,50,000. This scheme is of 15 years duration with partial withdrawal facility at six years. The scheme currently offers 7.1% tax free interest. Details of the scheme are given in **Annexure-II**. State Government Departments of College/Technical/ Higher Education authorities for expeditious action on the matter.

Contd...2/-

736236/2020/NS Division

: 2 :

I request you to advise all the State Governments to cause action to be taken to enable them to open SSA, PPF and/or POSB accounts. Details of the schemes can be explained in person also. I will also advise Chief Postmasters General to liaise with respective State Government Departments of College/Technical/ Higher Education authorities for expeditious action on the matter.

Early action would be appreciated. Thank you!

With

*best regards*

*[Signature]*  
(K. Sandhya Rani) 9.7.2020

Shri Amit Khare IAS  
Secretary  
Department of Higher Education  
Ministry of Human Resource Development  
Government of India  
Shastri Bhavan, New Delhi.

Encl.: as above.



Annexure – I**Post Office Savings Account**Salient Features

1. 4.0% per annum on individual / joint accounts.
2. Minimum Rs.500/- needed for opening a Post Office Savings Account
3. Account may be opened by
  - a. a single adult
  - b. Joint Account (Maximum 2 adults)
  - c. Minor above 10 years of age
  - d. A guardian on behalf of a minor/Person of unsound mind
4. Account can be opened by cash only
5. Minimum balance to be maintained in an account is Rs.500/- , if balance Rs.500/- not maintained, a maintenance fee of Rs.100/- shall be deducted from the account on the last working day of each financial year and after deduction of the account maintenance fee, if the balance in the account becomes nil, the account shall stand automatically closed
6. Cheque facility/ATM facility are available
7. Cheque facility can be taken in an existing account also.
8. Interest earned is Tax Free up to Rs.10,000/- per year from financial year 2012-13
9. Nomination facility is available at the time of opening and also after opening of account
10. Account can be transferred from one post office to another
11. One account can be opened in one post office.
12. At least one transaction of deposit or withdrawal in three financial years is necessary to keep the account active, else account became silent (Dorment)
13. Minor after attaining majority has to apply for conversion of the account in his name
14. Intra Operable Net Banking/Mobile Banking facility is available
15. Online Fund transfer between Post Office Savings Accounts/Stop Cheque/Transaction View facility is available through Intra Operable Net Banking/Mobile Banking
16. Facility to link with IPPB Saving Account is available
17. Funds Transfer (Sweep in/Sweep out) facility is available with IPPB Saving Account.

## Public Provident Fund (PPF) Accounts

Annexure - IISalient Features

1. From 01.04.2020, interest rates are 7.1 % per annum (compounded yearly).
2. Minimum Rs.500/- Maximum Rs.1,50,000/- in a financial year.
3. Deposits can be made in lump-sum or in instalments.
4. An individual can open account with Rs.500/- and a deposit minimum of Rs.500/- in a financial year and maximum Rs.1,50,000/- (including amount deposited in minor account opened on behalf of guardian).
5. Any account in which the account holder, having deposited five hundred rupees in the initial year, fails to deposit the minimum amount in the following years, shall be treated as discontinued and that account may be revived during its maturity period on payment of a fee of fifty rupees along with arrears of minimum deposit of five hundred rupees for each year of default.
6. Joint account cannot be opened and only one account can be opened by a citizen in India
7. Account can be opened by cash / Cheque and In case of Cheque, the date of realization of Cheque in Govt. account shall be date of opening of account
8. Nomination facility is available at the time of opening and also after opening of account. Account can be transferred from one post office to another
9. The subscriber can open another account in the name of minors but subject to maximum investment limit by adding balance in all accounts
10. Maturity period is 15 years but the same can be extended within one year of maturity for further 5 years and so on
11. Maturity value can be retained without extension and without further deposits also
12. Premature closure can be allowed after 5 years from the end of the year in which the account was opened subject to the following conditions. 1% interest will be deducted from the date of account opening
  - a. in case of life threatening disease of account holder, spouse or dependent children.
  - b. In case of higher education of account holder or dependent children.
  - c. In case of change of resident status of account holder
13. Deposits qualify for deduction from income under Sec. 80C of IT Act
14. Interest is completely tax-free
15. Online Deposit facility is available through Intra Operable Netbanking/Mobile Banking.
16. Online Deposit facility is available through IPPB Saving Account.
17. No attachment under court decree order
18. The PPF account can be opened in all departmental post offices
19. Loan can be taken after the expiry of one year from the end of the year in which the initial subscription was made but before expiry of five years from the end of the year in which the initial subscription was made
20. Withdrawal can be taken after the expiry of five years from the end of the year in which the account was opened.