

Postal PPF scheme relaunched

Special Correspondent

CHENNAI: Following good patronage for 'Selvamagal Semipu,' a savings scheme meant for girl children, the Department of Posts has relaunched the Public Provident Fund scheme as 'Ponmagan Podhuvaippu Nidhi,' which is aimed at benefitting male children.

The 'Ponmagan Podhuvaippu Nidhi' was launched here on Friday to encourage parents to open an account in the name of their male children.

However, unlike Selvamagal Semipu, this scheme is meant for both male and female children. It differs from the Selvamagal Semipu in another respect: there is no age limit for opening an account under this scheme and the minimum deposit period is 15 years.

There was a demand for a tax benefit scheme for boys patterned on Selvamagal Semipu, said officials of the postal department.

In a year, deposits between Rs.100 and Rs.1.5 lakh can be made and an interest of 8.7 per cent is offered. Though the PPF scheme has been in



Mervin Alexander, Postmaster General, Chennai City Region, distributes passbooks of savings accounts to parents during the relaunch of its Public Provident Fund scheme as Ponmagan Podhuvaippu Nidhi in the city on Friday.

— PHOTO: R. RAGU

place for several years, it has been misinterpreted as a plan meant only for salaried peo-

ple, officials added.

In Tamil Nadu, post offices hold only 1.5 lakh PPF ac-

counts. Of this, nearly 1.1 lakh PPF accounts are in the Chennai city region.

"This is because of lack of awareness, especially in rural areas, that PPF is meant for all age groups. Just like the 'Selvamagahl Semipu,' this scheme offers the feature of income tax deduction," said Mervin Alexander, Postmaster General, Chennai City Region, said.

While the number of deposits is restricted to 12 a year, a depositor can get loans and also partially withdraw in the seventh year of the scheme. In the plan for girl children, withdrawal can be done only when the child turns 18.

Post offices in the Chennai city region have opened nearly 3.82 lakh 'Selvamagal Semipu' accounts since February with a deposit amount running close to Rs.98 crore. Similarly, the department also offers short-term schemes such as recurring deposits and time deposits for children. There are over 18.69 lakh recurring deposit accounts that are being operated in Chennai.

The only limitation for PPF is that the depositors have to visit head post offices or sub post offices to start an account.