

National Savings Certificates (NSC)

Scheme	Interest payable, Rates, Periodicity etc.	Minimum Amount for opening of account and maximum balance that can be retained
National Savings Certificates (NSC) 5 Years National Savings Certificate (VIII Issue)	From 01.04.2024 to 30-06.2024, interest rates are as follows:- ○ 7.7 % compounded annually but payable at maturity.	Minimum of Rs. 1000/- and in multiples of Rs. 100/- No Maximum Limit

Salient features

- **(a) Who can open :-**
 - (i) a single adult
 - (ii) Joint Account (up to 3 adults)
 - (iii) a guardian on behalf of minor or on behalf of person of unsound mind
 - (iv) a minor above 10 years in his own name.
- **(b) Deposit:-**
 - (i) Minimum Rs. 1000 and in multiple of Rs. 100 , no maximum limit.
 - (ii) Any number of accounts can be opened under the scheme.
 - (iii) Deposits qualify for deduction under section 80C of Income Tax Act.
- **(c) Maturity:-**
 - -> The deposit shall mature on completion of five years from the date of the deposit.
- **(d) Pledging of account:-**
 - (i) NSC may be pledged or transferred as security, by submitting prescribed application form at concerned Post Office supported with acceptance letter from the pledgee.
 - (ii) Transfer/pledging can be made to the following authorities.
 - -> The President of India/Governor of the State.
 - -> RBI/Scheduled Bank/Co-operative Society/Co-operative Bank.
 - -> Corporation (public/private)/Govt. Company/Local Authority.
 - -> Housing finance company.
- **(e) Premature closure:-**
 - > NSC may not be prematurely closed before 5 years except the following conditions : -
 - (i) On the death of a single account, or any or all the account holders in a joint account
 - (ii) On forfeiture by a pledgee being a Gazetted officer.
 - (iii) On order by court.
- **(f) Transfer of account from one person to another person.:-**
 - > NSC may be transferred from one person to another person on the following conditions only.
 - (i) On the death of account holder to nominee/legal heirs.
 - (ii) On the death of account holder to joint holder(s).
 - (ii) On order by the court.
 - (iii) On pledging of account to the specified authority.