

F.No.116-12/2016-SB
Government of India
Ministry of Communication
Department of Posts
(F.S. Division)

Dak Bhawan, New Delhi-110001

Dated :- 14/02/2020

To,

All Head of Circles,
Addl. Director General, APS, New Delhi

Subject:-Amendments to procedural rules relating to Recurring Deposit (RD) Schemes in POSB(CBS) Manual in the light of recent changes circulated vide SB Order 13/2019 dated 18.12.2019.

Sir/Madam,

The undersigned is directed to inform that MoF(DEA) has revised many statutory rules relating to different National Savings Schemes which were circulated vide SB order 13/2019 dated 18.12.2019. The competent authority has now approved to change relevant procedural rules and issue corrections slips of POSB(CBS) Manual [circulated vide SB Order No.9/2018 dated 17.7.2018].

2. Accordingly, the corrections relating to Recurring Deposit (RD) Scheme are given below:-

Correction Slips for RD in POSB (CBS) Manual

Rule 65(1):-This sub rule should be replaced with below text:-

A RD account may be opened for a period of 5 years. Monthly deposits can be made in multiples of Rs. 10 with a minimum amount of Rs. 100/-. The amount of deposit made at the time of opening an account cannot be varied during the currency of the account.

Rule 69(2):- This sub rule should be replaced with below text:-

A joint account may be opened by up to three adults. On the basis of mode of operation, Joint Accounts shall be of two types, namely:-

- (a) Joint 'A' type, to be operated by all the depositors or the surviving depositors; and
- (b) Joint 'B' type, to be operated by any of the depositors or the surviving depositors severally.

Note below Rule 69(2) should be omitted.

Rule 69(3) :- This sub rule should be replaced with below text:-

Minor Account: - Provisions of Rule 13(ii) shall be applicable for RD accounts also. On attaining majority, he/she may:-

- (a) continue the account for full maturity period, or the maturity period as extended under sub-paragraph (1) of paragraph 6 of NSRD Rules 2019, or for a further period under paragraph 10 or paragraph 11 of NSRD Rules 2019, as the case may be; or

(b) if he does not continue the account any longer, claim proportionate amount as specified in sub-paragraph (1) of paragraph 9 of NSRD Rules 2019 on expiry of maturity period, or the amount due under sub-paragraph (2) of paragraph 10 or sub-paragraph (2) of paragraph 11 of NSRD Rules 2019, as the case may be.

(c) The minor who exercises the option to continue the account under clause above (a) shall submit fresh account opening form and KYC documents as required at the time of opening new RD account with a declaration as follows:

"I hereby declare that the Government Savings Promotion General Rules-2018 and the National Savings Recurring Deposit Scheme, 2019 have been read by/to me and I accept the said rules and the scheme and all such amendments thereto as may be issued from time to time as binding on me".

(d) The status of account will automatically be shown as "Freeze" in FINACLE CBS Application. During next transaction, in CMRC menu option, in account modification option, "mode of operation" to be changed to O12-self to enable the ex-minor to operate the account independently.

(e) Claim the proportionate amount payable on the maturity of the account, if the account got discontinued.

Rule 70(2)(b):-This sub rule should be replaced with below text:-

The account will be treated as discontinued if there are more than four RD month defaults. Revival of such account will be permitted only within a period of two RD months from the **fourth** RD month of default after payment of necessary default fee. If the account is not revived within this prescribed period, it will be treated as discontinued and shall not be permitted to be revived after the said period.

Rule 74(1) :- Add sub rule (1A) below this rule:-

Rule 74(1A):- For the account opened from the date of receipt of SB order 13/2019 dated 18.12.2019, following table should be used for payment of rebate:-

S.No.	Number of advance deposits	Rebate for an account of one hundred rupees denomination
(1)	(2)	(3)
1.	Six or more deposits but not exceeding eleven deposits made in any calendar month.	Ten rupees.
2	Twelve or more deposits made in any calendar month.	Forty rupees for every twelve deposits and ten rupees for the balance, if any, of not less than six deposits.

Rule 74(4):- This sub rule should be replaced with below text:-

IN respect of an account becoming discontinued in terms of NSRD Rules, 2019, rebate on advance deposits will be admissible only if all the arrear installments with penalty are paid along with the advance deposits within 2 RD months from the RD month of fourth default.

Rule 76(2):- In this rule, word "application for withdrawal" and "withdrawal form" should be replaced with "application for loan in Form-5"

Rule 77(2)(b):- Add below text at the end of this sub rule:-

In case RD Loan is taken after the date of receipt of SB Order 13/2019 dated 18.12.2019, amount should be in multiple of Rs.10/-.

Rule 77(2)(c):- Add below text at the end of this sub rule:-

In case RD Loan is taken after the date of receipt of SB Order 13/2019 dated 18.12.2019, amount of loan (withdrawal) should be divisible of 10.

Rule 77(2) (e):- In Note 1 below this rule, replace "application for withdrawal (SB-7)" with "application for loan in Form-5".

Rule 76 and 77:- Replace word "withdrawal" with word "loan".

Between Rule 76 and & 77 add below specimen of form

FORM – 5
(Application for Loan)

To,
The Postmaster/Manager

.....
.....

Sir,

I/We(account holder(s)/guardian) hereby apply for loan
from my/our account as per details below:-

Account Number:.....

Amount of Loan applied.....

*Certified, that the amount of loan to be availed is required for the use of
.....who is alive and still a Minor.

2. Please Credit the amount of loan to my SB Account no. _____ standing
at _____ (Name of Account office).

or

Please issue a Demand Draft/account payee cheque

or

Please pay in cash (applicable if the amount is below permissible limit of cash payment).

3. I/We certify that all the conditions applicable under scheme for grant of loan have been
complied with.

Date:- _____

Signature or thumb impression of account holder(s)/guardian

.....
Attested By _____
(Attestation is applicable in case of thumb impression)

For office use only

Payment detail

Amount available in Account Rs . _____

Date of Initial Subscription _____

Date on which last loan was allowed _____

Total Amount granted for loan Rs . _____ (In figures)

(In words) _____

Date Stamp

Signature of Postmaster/Manager

.....

Acquittance

(to be filled by depositor)

Received Rs _____ (In figures) _____ (in words) By cash/cheque/DD bearing no.....dated...../by transfer to Account No.....

Date

Signature/thumb impression of account holder(s)/guardian

Rule 78:- Below sub rule (1)(iv), add sub rule (1)(v) as given below:-

(v) From date of receipt of SB order 13/2019 dated 18.12.2019, account holder has to give application for extension of account after maturity in prescribed Form-4 attached to NSRD Rules 2019. Post Offices should take this application when account holder attends post office to deposit 61st instalment and keep application form in a guard file.

FORM - 4

(Application for extension of account)

To,
The Postmaster/Manager

.....
.....

Sir,

1. I/we _____ am/are depositor of Account Number _____ under National Savings Recurring Deposit Scheme in your office. The said account was opened on _____ and has/will mature on _____ for payment. We hereby request for extension of the account for a further period of _____ year(s) (as per rule 10/11 of Scheme rule) from the date of maturity of the above said account.

2. I/We have understood the terms and conditions applicable to the account during the period of extension under the said scheme as amended from time to time and shall abide by them.

Signature of the account holder(s)/guardian

Name and address of Account Holder(s)

Place

Date

For the use of Accounts Office

The account no..... which was opened on with Rs..... (Rupees.....) under _____ (Name of scheme) and matured on, has been extended for a period of _____ years with effect from to under rule.....of the.....scheme.

Necessary entries have been made in the records and pass book/deposit receipt/ statement of account.

Date

Signature of Postmaster/Manager

Seal

Rule 78(1)(ii):-In this sub rule, before word "(a)", add " on making application in Form 4"

Rule 78(1)(iv):- add sub rule (v) below sub rule (iv):-

(v) If maturity value of a discontinued account is retained by the account holder after the date of maturity, interest at the rate applicable to this Scheme for completed years, and at the rate applicable to the Post Office Savings Account for completed months, if the period is less than a year, shall be paid on the maturity value on the date of maturity. The interest in this case may be paid upto a maximum period of five years from the date of maturity of the account.

Rule 85(1):- In this sub rule, replace word "denomination of Rs.50/-" with word "denomination of Rs.100/-".

Rule 85(1)(b):- In this sub rule, replace word "not more than 53 years" with "not more than 55 years"

Note 2 and Note 5 below Rule 86(4):- In these notes, replace word "Rs.50/-" with word "Rs.100/-"

3. It is requested to circulate these corrections to all concerned for information and guidance and necessary action.

4. This issues with the approval of Competent Authority.

Devendra Sharma
14/02/2020
(Devendra Sharma)
Assistant director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)/AS&FA/DDG(PAF)/DDG(RB)/DDG (Estt.)/DDG(PG & Inspections)/DDG (PCO/Sr. DDG(PBI)
2. Director of Audit (P&T), Delhi.
3. Resident Audit Officer, Room No.517-B, Dak Bhawan, New Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, RAKANPA, Ghaziabad, All Directors, Postal Training Centres.
6. Director PTC Mysore for uploading the SB order on India Post Web Site.
7. Deputy Director (CEPT) O/o CPMG T.N.Circle, Chennai for information.
8. AD /Inspection/PF/Vigilance
9. All recognized unions.
10. MOF(DEA), NS-II, North Block, New Delhi
11. National Savings Institute, 4 Deen Dayal Upadhyay Marg, New Delhi.
12. PS to Member (Banking)
13. PPS to DG Posts.
14. PPS to Secretary Posts.