

POST OFFICE SAVINGS ACCOUNT RULES, 1981

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POST OFFICE SAVINGS ACCOUNT RULES, 1981

C.S.R. 663(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, namely :

1. Short title and commencement :-

(1) These rules may be called the Post Office Savings Account Rules, 1981.

(2) They shall come into force on the 1st day of April, 1982.

2. Definitions :-

In these rules, unless the context otherwise requires,

(a) "account" means a Savings Account;

1 (b) "Deposit" means the money deposited by a depositor in an account under these rules;

(c) 'Depositor*' means an individual who,

(i) on his own behalf; or

(ii) on behalf of a minor or a person of unsound mind of whom he is the guardian, deposits money in an account under these rules.

(f) "year" means a year commencing on the 1st day of April;

(g) words and expressions used herein and not defined but defined in the Post Office Savings Bank General Rules, 1981, have the meanings respectively assigned to them in these rules.

1. In Rule 2, for clauses (b) to (e), the following clauses shall be substituted by the Post Office Savings Account (Amendment) Rules, 2005.

3. Application of the Post Office Savings Bank General Rules, 1981 :-

For matters not provided in these- rules, the provisions of the Post Office Savings Bank- General Rules, 1981 shall apply.

4. Types of Savings Accounts and matters connected therewith :-

The types of accounts, the persons by whom Such accounts may be opened and operated upon, maximum amount that can be credited to the account and other matters connected therewith shall be as specified in the Table below, namely:

TABLE	Type of Account	Who may open	Maximum balance	Number of accounts	Who may operate	excluding interest	that can be opened	the account	for the current year	1	2	3	4	5
A.	INDIVIDUAL ACCOUNTS	1.	Single Account	(a)	A person who has attained the age of majority and who is of sound mind (hereinafter referred to as an adult).	(b)	A minor who has attained the age of 10 years.	(c)	A guardian on behalf of a minor.	(d)	(i) A guardian of a person of unsound mind. (ii) The Superintendent of the Mental Hospital where a person of unsound mind is confined.	(e)	An authority controlling a Provident Fund, Superannuation Fund or Gratuity Fund, on behalf of its individual members.	Rs. 25,000 in an account or in all the accounts taken together, if a depositor has more than one account. Rs. 25,000 Rs. 25,000 inclusive of the balance in the account, if any, opened by the minor himself. Rs. 25,000 Rs. 25,000 Without limit.
										Any number of accounts but not more than one account at one Post Office Savings Bank.	One	One	on behalf of each minor.	One on behalf of each person of unsound mind. One on behalf of each person of unsound mind. One on behalf of c'ch member. The adult. An illiterate, blind or otherwise physically handicapped adult may operate on his account through a literate agent, nominated by him for the purpose. The minor. The guardian during the minority of the and thereafter the exminor. (a) The guardian. (b) The Superintendent of the Mental Hospital. The authority controlling the Fund or the member on production of a letter of authorisation from

such authority. 1 \2 \3 \4 \5 2. Joint Account (1) A-Type, that is to say, Payable to the depositors jointly or to two survivors Jointly or to the sole survivor. (ii) B-Type, that is to say, payable to any one of the depositors or to either of the two survivors or to the sole survivor. 3. Prndion Account. B. GROUP ACCOUNTS 4Provident Fund, Su-perannuation Fund or Gratuity Fund Account. 5. Sanchayika Account C. INSTITUTTIONAL ACCOUNTS 6. Public Account D. OHERACCOUNTS 7. Security Deposit Account. \Two or three adults. Two or three adults. A pensioner, being a retired Railway servant or a servant of the Posts and Telegraphs Department. The authority controlling the Fund, in the name of the Fund. The authority controlling the funds of the Sanchayika. A local authority or a lawfully constituted association, institution or other body for encouragement of thrift or for mutual benefit of its members. (a) An employee, contractor or agent of a Government body or of a Corporation or of a Government company or of a University who is required to deposit security in his capacity as such employee, contractor or agent. \Rs. 1,00,000 in an account. If the depositors have more than one account (single, pension or joint), the balances or shares of balances in all such a ccounts taken together should not exceed Rs. 25,000 for each of the depositors. Rs. 50,000 in an account. If the depositors have more than one account (single, pension or joint), the balances or shares of balances in a 11 such accountes taken together should not exceed Rs. 25,000 for each of the depositors Rs. 25,000, inclusive of balances in single accounts, if any, and share of balances in joint accounts, if any, opened by the depositor. Without limit Without limit Without limit Without limit. \Any number of accounts but not more than one Joint account at one Post Office Savings Bank. Any number of accounts but not more than one Joint account at one Post Office Savings Bank. One. One on behalf of the Fund. One One in respect of each authority or body. One in respect of each contract or security. \All the depositors or both the survivors or the sole survivor as the acse may be. One of the depositors or either of the two survirvos or the sole survivor, as the case may be. (a) The Head Savings Bank or Sub-Savings Bank. for crediting to the account the amount of pension due to the pensioner on the first working day of the month following the month to which the pension amount relates and for recovering any amount credited in excess of the sum to which the pensioner was entitled (b) The pensioner, for making withdrawals. The authority controlling the Fund. One or two persons authorised by the authority controlling the funds of the

Sanchayika. One or two persons authorised for the purpose either jointly or severally at the option of the authority or body. The pledgee, or the pledger to the extent of the amount authorised by the pledgee. 1 \2 \3 \4 \5- 2Note 7: 3 [***]

In Rule-4, in the table, the heading B to D all items thereunder and the entries relating thereto shall be omitted; (b) Note 7 below the Table shall be omitted by the Post Office Savings Account (Amendment) Rules, 2005.

In the POST OFFICE SAVINGS ACCOUNT RULES, 1981, in Rule 4, Note 7 below the Table shall be Omitted as follows :- "Note 7: A High School or Intermediate College, being an institution within the meaning of the \ \Uttar Pradesh High Schools and Intermediate Colleges (Payment of Salaries of Teachers \ \ and other Employees) Act, 1971(Uttar Pradesh Act 24 of 1971) may, jointly with the Inspector as defined in the said Act, open a public account under item 6 of the Table for the purpose \ of payment of salaries of its teachers and other employees. Such account may be operated (i) jointly by a representative \of the management and by the said Inspector or an Officer authorised by the said Inspector or (ii) by a representative of the \ management alone if duly authorised to that effect by the said Inspector or (iii) by the said Inspector himself or an \ \Officer." \ \by the POST OFFICE SAVINGS ACCOUNT (AMENDMENT) RULES, 2005.

5. Deposits and withdrawals in an account :-

1(1) No account shall be opened with a deposit of a sum less than twenty rupees.

2(2) No subsequent deposit shall be of a sum less than five rupees.

3(3) No withdrawal shall be for a sum less than five rupees.

4(4) No withdrawal shall be permitted which has the effect of reducing the balance to less than **5**["fifty rupees"] in an account not having cheque facility and **57**["five hundred rupees"] in an account in which cheque facility has been provided.

(5) Not more than one withdrawal in a day shall be allowed from an account standing at an Extra. Departmental Sub Savings Bank or Branch Savings Bank.

(6) Withdrawal of not less than **8**["twenty rupees"] may be made by cheque at any Head Savings Bank or Sub Savings Bank, authorised in this behalf, subject to the conditions prescribed.

97. The deposits which are not in multiples of 5 paise shall be

rounded to the next integer of five paise

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(8). Notwithstanding anything contained in this Rule,

(a) no deposit shall be accepted in an account other than an individual account.

(b) the outstanding balances in an account other than an individual account, shall be refunded to the depositor on a date not later than 31.12.2005.

1. Substituted for "(1) No account shall be opened with a deposit of less than five rupees.", vide " THE POSTOFFICE SAVINGS ACCOUNT RULES, 1981" Dt.2nd January, 1987 Published in Ministry of Finance (Department of Economic Affairs), Noti. No. G.S.R. 8(E), dated January 2, 1987, published in the Gazette of India, Extra., Part a. Section 3(1), dated 2nd January, 1987, p. 2 [F. No. 2/20/85-NS] [L]

2. Substituted for " (2) No subsequent deposit shall be less than one rupee in the case of cash, savings, stamps and postal orders and five rupees in the case of a cheque or other instrument accepted for deposit.", vide " THE POST OFFICE SAVINGS ACCOUNT RULES, 1981" Dt.2nd January, 1987 Published in Ministry of Finance (Department of Economic Affairs), Noti. No. G.S.R. 8(E), dated January 2, 1987, published in the Gazette of India, Extra., Part a. Section 3(1), dated 2nd January, 1987, p. 2 [F. No. 2/20/85-NS] [L]

3. Substituted for " (3) No withdrawal shall be for a sum less than one rupee.", vide " THE POST OFFICE SAVINGS ACCOUNT RULES, 1981" Dt.2nd January, 1987 Published in Ministry of Finance (Department of Economic Affairs), Noti. No. G.S.R. 8(E), dated January 2, 1987, published in the Gazette of India, Extra., Part a. Section 3(1), dated 2nd January, 1987, p. 2 [F. No. 2/20/85-NS] [L]

4. Substituted for " (4) No withdrawal shall be permitted which has the effect of reducing the balance to less than five rupees in an account not having cheque facility or one hundred rupees in an account in which cheque facility has been provided.", vide " THE POST OFFICE SAVINGS ACCOUNT RULES, 1981" Dt.2nd January, 1987 Published in Ministry of Finance (Department of Economic Affairs), Noti. No. G.S.R. 8(E), dated January 2, 1987, published in the Gazette of India, Extra., Part a. Section 3(1), dated 2nd January, 1987, p. 2 [F. No. 2/20/85-NS] [L]

5. In Rule 5, sub-rule (4) for the words "twenty rupees" and the words "two hundred and fifty rupees" shall be substituted by post office Savings Account (Amendment) Rules, 2002, Published in the Gazette of India, Extra, Part II, Section 3(i), dated 10th May, 2002, page 2, No.219.

7. Substituted for "one hundred rupees ", vide " THE POST OFFICE SAVINGS ACCOUNT RULES, 1981" Dt.8th July, 1993 Published in Ministry of Finance (Deptt. of Economic Affairs), Noti. No.G.S.R. 499(E), dated July 8, 1993, published in the Gazette of India, Extra., Part II, Section 3(i), dated 8th July, 1993, p. 2, SI. No. 231 [No. 2/5/93-NS-II][C]

8. In Rule 5, sub-rule (6) for the words "five rupees" shall be substituted by post office Savings Account (Amendment) Rules, 2002, Published in the Gazette of India, Extra, Part II, Section 3(i), dated 10th May, 2002, page 2, No.219.

9. Substituted for " 5 (7) The fraction of a rupee in deposits and with- drawals shall be in multiples of five paise. ", vide " THE POST OFFICE SAVINGS ACCOUNT RULES, 1981" Dt.17th July, 1989 Published in Ministry of Finance (Department of Economic Affairs), Noti. No. G.S.R. 695(E), dated July 17, 1989, published in the Gazette of India, Extra., Part II, Section 3(i), dated 17th July, 1989, p. 2 [F. No. 2/31/88 -NS. II][L]

10. in Rule 5, after sub-rule (7), the following sub-rule-10 shall be inserted by the Post Office Savings Account (Second Amendment) Rules, 2005

6. Interest on deposits in an account :-

(1) Subject to sub-rules (2) to (9), interest at the rate, notified by the Central Government in the official gazette from time to time,, shall be allowed for each calendar month on the lowest balance at credit of an account between the close of the tenth day and the end of the month and such interest shall be calculated and credited in the account at the end of each year.

(2) Interest shall be allowed only on sums of complete rupees and shall be rounded off to the nearest multiple of five paise and for this purpose any amount of 2.5 paise or more shall be treated as five paise and any amount less than 2.5 paise shall be ignored.

¹(3) No interest shall be allowed on an account for any month in which the balance at credit is below twenty rupees at any time between the tenth and last date of the month.

²(4) No interest shall be allowed on an account for any year in which the amount of interest for the year is less than one rupee.

(5) No interest shall be allowed on any sum in excess of the maximum balance specified in column (3) of the Table below rule 4.

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(6)*****

(7) No interest shall be allowed on a security deposit account after the expiry of three months from the first day of the month in which the amount secured has been withdrawn by the pledgee or the pledgee has authorised repayment of such amount to the pledger, as the case may be.

(8) If an account is closed in the course of a year, interest shall be allowed upto the end of the month preceding the month in which the account is closed.

(9)

(a) In the event of death of a depositor, the interest on his account shall be allowed only till the end of the month preceding the month in which notice is issued to the person or persons recognised by the Post Office Saving Bank as being entitled to receive the balance in the said account.

(b) Interest for any subsequent period shall be allowed only if the balance in the account of the deceased or the share therein to which a claimant is entitled, together with the balances or share of balances, if any, in other savings accounts held by him, does not exceed⁴["fifty thousand rupees"] and the claimant gives a declaration to that effect to the Post Office Savings Bank.

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(10). Notwithstanding anything contained in this Rule,

(a) deposits in an account other than an individual account, shall not earn interest after 31.12.2005.

(b) the interest on an account other than an individual account closed on or before 31.12.2005 through withdrawal or refund, shall also be allowed for the month in which the account is closed, on pro rata basis.

1. Substituted for " (3) No interest shall be allowed on an account for any month in which the balance at credit is below ten rupees at any time between the tenth and last date of the month. ", vide " THE POST OFFICE SAVINGS ACCOUNT RULES, 1981" Dt.2nd January, 1987 Published in Ministry of Finance (Department of Economic Affairs), Noti. No. G.S.R. 8(E), dated January 2, 1987, published in the Gazette of India, Extra., Part a. Section 3(1), dated 2nd January, 1987, p. 2 [F. No. 2/20/85-NS] [L]

2. Substituted for " (4) No interest shall be allowed on an account for any year in which the amount of interest for the year is less than fifty paise: ", vide " THE POST OFFICE SAVINGS ACCOUNT

RULES, 1981" Dt.2nd January, 1987 Published in Ministry of Finance (Department of Economic Affairs), Noti. No. G.S.R. 8(E), dated January 2, 1987, published in the Gazette of India, Extra., Part a. Section 3(1), dated 2nd January, 1987, p. 2 [F. No. 2/20/85-NS] [L]

3. In Rule 6, in sub-rule 6, shall be omitted by the Post Office Savings Account (Amendment) Rules, 2005.

4. Substituted for " twenty-five thousand rupees ", vide " THE POST OFFICE SAVINGS ACCOUNT RULES, 1981" Dt.6th April, 1989 Published in Ministry of Finance (Department of Economic Affairs) Noti. No. G.S.R. 430(E), dated April 4, 1989, published in the Gazette of India, Extra., Part II, Section 3(i), dated 6th April, 1989, p. 2 [F. No. 2/20/85-NS-II] [L]

5. in Rule 6, after sub-rule (9), the following sub-rule shall be inserted by the Post Office Savings Account (Second Amendment) Rules, 2005

7. Confirmation of balance :-

The depositor shall present his pass book as soon as possible after the 31st day of March to the Post Office Savings Bank where his account stands, for addition of interest and confirmation of the balance at credit in the account and if the pass book is not so presented by the depositor or collected by him from the Post Office Savings Bank within three months of its presentation. It may entail acceptance by the depositor of the balance as appearing in the books of the Post Office Savings Bank as final.

8. Silent Account :-

¹(1) An account in which a deposit or withdrawal has not taken place for three complete years, shall be treated as a silent account.

²(2) Transaction in respect of silent account shall be allowed as per the instructions issued by the Director General (Post) from time to time.

²(3) In respect of silent accounts having balance below the stipulated minimum for an account not having cheque facility, service charge of Rs 20 shall be deducted on the last working day of each financial year. The account holder shall be reminded through a notice to reactivate the account.

² (4) If the account holder fails to reactivate the account despite giving notice as in (3) above, service charge will continue to be levied and the account holder shall be reminded through a notice every time. After deduction of service charge if the balance becomes nil, the account will stand automatically closed. The

subscriber will be notified when the account is closed."

1. Substituted for " (1) An account in which a deposit or withdrawal has not taken place for six complete years, shall be treated as a silent account. ", vide " THE POST OFFICE SAVINGS ACCOUNT RULES, 1981" Dt.2nd January, 1987 Published in Ministry of Finance (Department of Economic Affairs), Noti. No. G.S.R. 8(E), dated January 2, 1987, published in the Gazette of India, Extra., Part a. Section 3(1), dated 2nd January, 1987, p. 2 [F. No. 2/20/85-NS] [L]

2. In Rule 8, sub-rule (2) shall be substituted and sub-rules (3) and (4) shall be inserted by post office Savings Account (Second Amendment) Rules, 2002, Published in the Gazette of India, Extra, Part II, Section 3(i), dated 14th June, 2002, page 2, No.276.

9. Final Withdrawal on closure :-

(1) Except as provided in sub-rule (2), final withdrawal on closure of an account shall be allowed at a Sub-Savings Bank, Extra Departmental Sub- Savings Bank or Branch Savings Bank, only after obtaining the sanction of the relevant Head Savings Bank.

(2) When payment of interest, is not involved, final withdrawal on closure of an account may be allowed by a Sub-Savings Bank without obtaining the prior sanction of the Head Savings Bank.

10. Supply of Savings Bank ledger copy :-

A depositor may, on payment of a fee of two rupees for every thirty entries or part thereof, obtain copy of his savings account as appearing in the ledger of the Post Office Savings Bank for any period for which such ledger is available.

11. Repeal and Saving :-

(1) The provisions of the Post Office Savings Bank Rules, 1881, which are in force and the Post Office Savings Banks Rules, 1965 are hereby repealed.

(2) Notwithstanding such repeal anything done or any action taken under the rules so repealed shall be deemed to have been done or taken under the corresponding provisions of these rules or the Post Office Savings Bank General Rules, 1981 .