

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 Senior Citizen's Savings 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 Senior Citizen's Savings Schemes are given below:-

Correction Slips for Senior Citizens Savings Scheme in POSB(CBS) Manual

Rule125(6):-This sub rule should be replaced with below text:-

The account shall be opened with a minimum deposit of one thousand rupees or any sum in multiples of one thousand rupees not exceeding fifteen lakh rupees:

Provided that the deposits in the account specified under clause (ii) of sub-paragraph (1) of paragraph 3 of Senior Citizens Savings Scheme Rules 2019, shall be restricted to the retirement benefits received, or fifteen lakh rupees, whichever is lower.

Explanation.- For the purposes of this sub-paragraph, "retirement benefits" means any payment due to the account holder on account of retirement on superannuation or otherwise and includes Provident Fund dues, retirement or superannuation gratuity, commuted value of pension, cash equivalent of leave, savings element of Group Savings Linked Insurance Scheme payable by the employer on retirement, retirement-cum-withdrawal benefit under the Employees' Family Pension Scheme and ex-gratia payments under a voluntary or a special voluntary retirement scheme.

Rule 125(8) :-This sub rule should be replaced with below text:-

Premature Closure of Account:-

(1) The account holder may withdraw the deposit and close the account at any time on an application in prescribed form subject to the following conditions, namely:-

(i) In case, the account is closed before one year after the date of opening of account, interest paid on the deposit in the account shall be recovered from the deposit and the balance shall be paid to the account holder.

(ii) In case the account is closed after the expiry of one year but before the expiry of two years from the date of its opening, an amount equal to one and a half per cent of the deposit shall be deducted and the balance shall be paid to the account holder.

(iii) In case the account is closed on or after the expiry of two years from the date of its opening, an amount equal to one percent of the deposit shall be deducted and the balance shall be paid to the account holder.

(2). The account holder availing the facility of extension of account, may withdraw the deposit and close the account at any time after the expiry of one year from the date of extension of the account without any deduction.

(3) In case of premature closure, interest on the deposit shall be payable upto the date preceding the date of premature closure after deduction of penalty as specified in sub-paragraph(1)

Rule 125(9):-This sub rule should be replaced with below text:-

In case of death of the depositor before maturity, the account shall be closed and deposit refunded along with interest at the rate of SCSS till date of death and at the rate of Savings Account till the date of final closure of the account.

Rule 125(10) :- This sub rule should be replaced with below text:-

"In case of a joint account, or where the spouse is the sole nominee, the spouse may continue the account on the same terms and conditions as specified under this Scheme, if the spouse meets eligibility conditions under the Scheme on the date of death of the account holder."

Where both the spouses have opened separate account or accounts under this Scheme and either of the spouses dies during the currency of such account or accounts, then such account or accounts standing in the name of the deceased account holder shall not be continued and shall be closed.

Rule125(18):-This sub rule should be replaced with below text:-

In case the depositor does not close the account on maturity and also does not extend the account for a period of three years by making an application within a period of one year after the maturity period of 5 years, the account shall be treated as matured and post maturity interest at the rate applicable to the deposits under Post Office Savings Accounts from time to time shall only be admissible for the period beyond maturity till the closure of the account.

Rule125(19):- Add sub rule (19A) below sub rule (19):-

(19A) From the date of receipt of SB Order 13/2019 dated 18.12.2019, registration of nomination is mandatory and should be registered as per procedure mentioned in Rul14 of GSPR Rules 2018. For existing accounts also, account holders should be asked to register nomination latest before maturity of the account.

Rule 125(20)(1):- add following text below this sub rule:-

Provided that for collection of fee, procedure laid down in SB order 03 /2020 dated 10/1/2020.

Rule 126(iv):- Add following text below this sub rule:-


Provided that from the date of receipt of SB Order 13/2019 dated 18.12.2019, fee for issue of duplicate passbook shall be Rs.50/- + GST each time.

Rule 134(i)(b) :- Add sub rule (c) below sub rule (b):-

(c) From date of receipt of SB Order 13/2019 dated 18.12.2019, premature closure of the account is also allowed before one year of opening of account. If account is closed before one year after the date of opening of account, interest paid on the deposit in the account shall be recovered from the deposit and the balance shall be paid to the account holder.

3. It is requested to circulate this amendment to all concerned for information and guidance and necessary action.

4. This issues with the approval of Competent Authority.


(Devendra Sharma)
Assistant director (SB)

Copy to:-

15. DDG(FS)/DDG(VIG)/AS&FA/DDG(PAF)/DDG(RB)/DDG (Estt.)/DDG(PG & Inspections)/DDG (PCO/Sr. DDG(PBI)
16. Director of Audit (P&T), Delhi.
17. Resident Audit Officer, Room No.517-B, Dak Bhawan, New Delhi.
18. All Directors/Dy. Directors of Accounts, Postal
19. Director, RAKANPA, Ghaziabad, All Directors, Postal Training Centres.
20. Director PTC Mysore for uploading the SB order on India Post Web Site.
21. Deputy Director (CEPT) O/o CPMG T.N.Circle, Chennai for information.
22. AD /Inspection/PF/Vigilance
23. All recognized unions.
24. MOF(DEA), NS-II, North Block, New Delhi
25. National Savings Institute, 4 Deen Dayal Upadhyay Marg, New Delhi.
26. PS to Member (Banking)
27. PPS to DG Posts.
28. PPS to Secretary Posts.