

SB ORDER NO. 1 /2007

No.113-1/2004-SB
Government of India
Ministry of Communications & IT
Department of Posts

\New Delhi-110001.

Date: 12.1.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

**Subject:- Grant of honorarium for calculation of interest in RD
premature closure cases-Regarding**

Sir / Madam,

In continuation of Directorate's letter No. 50-2/96-SB dated 25.3.1996 (SB Order No. 6/96), on the subject mentioned above, I am directed to say that it has been decided to grant honorarium to the staff of non-computerized Sub Post Offices engaged in manual calculation of interest in RD premature closure cases at the following rate, subject to fulfillment of other conditions governing the grant of honorarium:

- (a) at the rate of Rs.2.35 per account to the Postal Assistant: and
 - (b) at the rate of Rs.0.45 per account to the Supervisor
2. These orders are effective from 01.01.2007.
 3. This issues with the concurrence of Integrated Finance Wing vide their Dy. No. 21/FA/07/CS dated 11.1.07

Yours faithfully,

(B.P.Bimal)
Desk Officer (SBPG)

Copy to-

1. Director of Audit (P&T), Delhi.
2. All Directors/Dy. Directors of Accounts, Postal
3. Director, Postal Staff College, Ghaziabad.
4. All Directors, Postal Training Centers.
5. DDG(FS)/DDG(VIG)
6. Director (FS)/VIG
7. AD Inspection/PF/Vigilance/Postal Accounts Section
8. All Accounts Officers ICO(SB)
9. All recognized Staff Unions and Associations.
10. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
11. PS to Member (D)

SB ORDER NO. 2 /2007

No.113-6/2002-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 12.4.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Introduction of the depositor at the time of opening of saving account.

Sir / Madam,

The undersigned is directed to say that it has come to the notice of this office that saving accounts are being opened without proper introduction of the depositors. In some cases, post office staff insists introduction by the person known to post office as the only mean of introduction. This office had already specified the various modes of introduction vide SB Order No.30/2002 issued vide letter of even number dated 21.11.2002 and 27.11.2002. These modes are being reproduced below:-

1. Attestation of the signature of depositor by a person known to post office or bank or authorities specified in this behalf.
2. Identification of depositor by means of photo Identity Card, Ration Card, Voter Card, Passport, Driving License, CGHS Card, or any other Identity Card issued by a proper authority, bearing depositor's photograph and signature.
3. Identification of the depositor by a person who holds an account in the same post office where the depositor is having his/her account.
4. Identification of depositor through his/her post office/SB Identity Card.

It was mentioned in this order that particulars of identity should be entered in the SB-3 and Index Register.

2. It is further enjoined upon all concerned that it should be ensured that address of depositor filled in SB-3 is complete. If the introduction is accepted through a person, his/her full address should be noted on SB-3 and Index Register and if the introduction is accepted through any of the documents mentioned above, in addition to mentioning the particulars of that document, attested copy of the same should also be attached with SB-3.

3. It is requested that this may kindly be brought to the notice of all post offices including sub post offices for information, guidance and necessary action.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to-

12. Director of Audit (P&T), Delhi.
13. All Directors/Dy. Directors of Accounts, Postal
14. Director, Postal Staff College, Ghaziabad.
15. All Directors, Postal Training Centers.
16. DDG(FS)/DDG(VIG)
17. Director (FS)/VIG
18. AD Inspection/PF/Vigilance/Postal Accounts Section
19. All Accounts Officers ICO(SB)
20. All recognized Staff Unions and Associations.
21. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
22. PS to Member (D)

SB ORDER NO. 3 /2007

No.107-2/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 25.5.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

**Subject:- Deduction of Tax and surcharge on commission paid to
SAS/MPKBY/PPF Agents from 1.6.2007.**

Sir / Madam,

The undersigned is directed to say that the rate of income tax to be deducted on the commission paid to SAS/MPKBY and PPF agents has been revised with effect from 1.6.2007 as per clause 194-H of Income Tax Act amended through Finance Act 2007 by the Government.

2. The revised rate on income tax to be deducted will be 10% of the commission paid from 1.6.2007. The surcharge will be levied at the rate of 10% of the income tax deducted where the income (commission) or aggregate of such incomes (commission) paid or likely to be paid to the agents exceeds Rs. 10 lakh during a financial year. The amount of tax plus surcharge, if any shall be further increased at the ratio of three percent of this amount for the purpose of education cess.

3. It is requested that this may kindly be brought to the notice of all post offices including sub post offices for information, guidance and necessary action.

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts (SB&CC)

Copy to-

1. Director of Audit (P&T), Delhi.
2. All Directors/Dy. Directors of Accounts, Postal
3. Director, Postal Staff College, Ghaziabad.
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6. Director (FS)/VIG
7. AD Inspection/PF/Vigilance/Postal Accounts Section
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10. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
11. PS to Member (D)

SB ORDER NO. 4 /2007

No.79-8/2004-FS (Vol-V)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 25.5.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Deduction of TDS in case of Sr. Citizen Saving Scheme 2004 during 2007-2008 with effect from 1.6.2007.

Sir / Madam,

The undersigned is directed to say that the Government has amended Section 194-A of Income Tax Act through Finance Act 2007.

2. Accordingly, from 1.6.2007, TDS on a Sr. Citizen Saving Scheme 2004 account is now to be deducted for if the interest paid or payable **exceeds Rs. 10,000/- during the financial year**. TDS Shall be made from the entire amount payable if it exceeds Rs. 10,000/-.

3. **The rate of TDS and surcharge will be as under:-**

In case of a person other than a company

- | | | |
|----|-------------------------------|-----|
| a. | Person is resident of India-- | 10% |
| b. | Others-- | 20% |

Surcharge

The amount so deductible shall be enhanced by surcharge calculated as per following rate:-

- a. In case of Individual, HUF, Association of Person and body of individuals—
10%, if the interest paid/payable exceeds Rs. 10 lac during the financial year.

Education Cess

The amount of TDS+Surcharge shall be further enhanced by 3% of TDS+Surcharge on account of education cess.

4. Other instructions circulated vide **SB Order No. 15/2006 dated 26.6.2006** regarding declaration in Form 15-G and Form 15-H will remain the same.

5. It is requested that this may kindly be brought to the notice of all post offices including sub post offices for information, guidance and necessary action.

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts (SB&CC)

Copy to-

1. Director of Audit (P&T), Delhi.
2. All Directors/Dy. Directors of Accounts, Postal

3. Director, Postal Staff College, Ghaziabad.
4. All Directors, Postal Training Centers.
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10. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
11. PS to Member (D)

SB ORDER NO. 5 /2007

No.108-56/97-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 25.5.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Deduction of TDS and surcharge on TDS in case of withdrawals from NSS-1987 during 2007-2008.

Sir / Madam,

The undersigned is directed to say that the Government has amended rates of Income Tax through **Finance Act 2007**.

2. Accordingly, the rate of TDS and surcharge on TDS in case of withdrawals from **NSS-87 account** (U/S 194-EE) for 2007-2008 will be as under:-

TDS

The rate of Tax to be deducted will be **20%** of the amount of withdrawal during 2007-2008.

Surcharge

The amount so deductible shall be enhanced by surcharge calculated as per following rate:-

a. **10% of TDS**, if the income or aggregate of incomes paid or likely to be paid exceeds Rs. 10 lac during the financial year 2007-2008.

Education Cess

The amount of **TDS+Surcharge** shall be further enhanced by **3% of TDS+Surcharge** on account of **Education Cess**.

3. No tax will be deducted if the amount of total of aggregate withdrawals during the financial year is less than **Rs. 2500/-(194-EE)**.

4. Tax shall not be deducted at source on withdrawal from NSS-87 account payable to resident individual who furnishes a declaration in writing (in duplicate) in **form 15-G** up to the amount of withdrawal of **Rs. 1,10,000/- (for men)** and **Rs. 1,45,000/- (for women)**. No tax will be deducted on withdrawal from NSS-87 account payable to senior citizen of 65 years of age or above who furnishes declaration in writing (in duplicate) in **Form 15-H**.

5. It is requested that this may kindly be brought to the notice of all post offices including sub post offices for information, guidance and necessary action.

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts (SB&CC)

Copy to-

1. Director of Audit (P&T), Delhi.
2. All Directors/Dy. Directors of Accounts, Postal
3. Director, Postal Staff College, Ghaziabad.
4. All Directors, Postal Training Centers.
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7. AD Inspection/PF/Vigilance/Postal Accounts Section
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10. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
11. PS to Member (D)

SB ORDER NO. 6/2007

No.110-13/2004-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 1.6.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Acting of SAS/MPKBY/PPF agents as an agent or messenger of the depositor for the purpose of withdrawal of money in various saving schemes.

Sir / Madam,

This is in continuation of this office letter (SB Order No. 29/2006) of even number dated 22.12.2006. In pursuance of Min. of Finance (DEA) letter No. F.1/2/2007-NS-II dated 29.5.2007, the **Note 1 below Rule 33 of POSB Manual Vol-I** is modified from the date of issue of this order and may be read as under:-

POSB Manual Vol-I Rule 33 Note 1:-

- (i) **Postmaster includes Sub-Postmaster, Branch Postmaster, Dy. Postmaster, A.P.M and SPMs in charge of SB Branch should not act as an agent or messenger of a depositor for the purpose of withdrawal from a saving bank account standing open in his office.**
- (ii) **Any SAS/MPKBY/PPF agent cannot act as an agent or messenger of a depositor for the purpose of withdrawal from his/her saving bank account.**

2. This rule is applicable for all type of account in all the small saving schemes.

3. It is requested that this may kindly be brought to the notice of all concerned for information, guidance and necessary action.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to-

1. Director of Audit (P&T), Delhi.
2. All Directors/Dy. Directors of Accounts, Postal
3. Director, Postal Staff College, Ghaziabad.

4. All Directors, Postal Training Centres.
5. DDG(PG)/DDG(VIG)
6. ADG(BS)
7. AD PG/Inspection/PF/Vigilance/Postal Accounts Section
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9. All recognized Staff Unions and Associations.
10. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
11. PS to Member (D)

SB ORDER NO. 7/2007

No.79-8/2004-FS (Vol-V)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 15.6.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Amendment in Rule 3 of SCSS Rules and regularization of SCSS accounts opened in contravention of proviso to Rule 3 sub-rule(2) of SCSS Rules i.e restriction on opening of more than one account in a calendar month in same deposit office.

Sir / Madam,

This is in continuation of this office letter of even number dated 21.5.2007 vide which it was informed that amendment to Rule 3(2) of SCSS Rules is under consideration of Min. of Finance and all cases where such account have been found opened in contravention of this rules should be referred to this office for regularization on case to case basis

2. The provision to sub-rule (2) of Rule 3 of SCSS Rules has now been omitted vide MOF Notification No. GSR 390(E) dated 24.5.2007 issue from file No. 2/8/2004-NS-II. Copy of this notification is appended with this letter.

3. Min. of Finance vide its letter No. F.15/3/2006/NS-II dated 9.5.2007 has authorized the Department of Posts to regularize all such accounts opened before issue of this notification in the manner given below:-

Method of regularization

If in any case two SCSS accounts are found opened in the name of same depositor in same deposit office in one calendar month, the second account opened should be amalgamated with the first account subject to other terms and conditions of the scheme. The date of opening of second account will be treated as date of opening of first account subject to the condition that second/subsequent irregular account will not earn any interest for the intervening period i.e for the period from date of opening of first account to the date of opening of second/subsequent irregular account. The date of maturity of the second/subsequent irregular account merged with the first account will also become the same as of first account.

Example:- If first account is opened on 5th of a month and second account is opened on 25th, after amalgamating both the accounts, the date of opening and date of maturity of both the accounts will become on 5th. The second account opened on 25th will not earn any interest from 5th to 25th of the month.

4. This power of regularization on the above methodology is being delegated to heads of circles with immediate effect. Now no such case needs to be referred to this office for regularization.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts (SB&CC)

Copy to-

1. Director of Audit (P&T), Delhi.
2. All Directors/Dy. Directors of Accounts, Postal
3. Director, Postal Staff College, Ghaziabad.
4. All Directors, Postal Training Centers.
5. DDG(FS)/DDG(VIG)
6. Director (FS)/VIG
7. AD Inspection/PF/Vigilance/Postal Accounts Section
8. All Accounts Officers ICO(SB)
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10. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
11. PS to Member (I&FS)

SB ORDER NO. 8 /2007

No.113-11/2003-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 15.6.2007

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Remittance of SBMO to HO/SO by field post offices in case of SB deposits received at Field Post Offices for credit into SB accounts standing at Civil Post Offices.

Sir / Madam,

The undersigned is directed to say that the APS Directorate has brought to the notice of this office that intimation of credit of SBMO in the respective accounts standing at SOs is either not sent or sent late by Head Post Offices to Sub Post Offices, which is resulting in number of complaints by the depositors. To avoid inconvenience to the depositors of APS, it was proposed by APS Directorate that APS field units may be authorized to draw SBMO directly to Sub Post Offices if the account is to be opened at SO or subsequent deposit is intended to be made in account standing at SO. The proposal was considered and it has been decided to agree with the proposal. For implementing the same, it has been decided to modify/amend some provisions of Rule 24 of POSB Manual Vol-I. The modified Rule-24 may be read as under:-

Rule-24 OPENING OF ACCOUNTS THROUGH FIELD POST OFFICES BY DEFENCE PERSONNEL

24 (1) Under the rules of the Postal Manual (War), SB deposits are received at all Field Post Offices for credit. Free of charge, to post office saving accounts.

(2)- When a SB deposit is received by a Field Post Office, the amount will be remitted by money order to the concerned HO/SO on the ledgers of which the depositor's account stands or (in case of new account) is to stand. No commission will be charged on the money order which will be termed as

SB money order and the letters "SB" will be prefixed to the number of money order wherever it occurs. The following particulars will be given on the coupon of the money order under the field Post-Master's signature:-

- (a) Number of saving account and the name of the post office where the account stands or in the case of new account, the words "New Account" and the name of the post office at which it is to be opened.
- (b) Full name and address of the depositor
- (c) Balance after deposit.

(3)- In case of new account, SB Money order should be sent by the Field Post Office to the concerned HO/SO enclosed in a registered cover addressed to the Head/Sub Postmaster concerned along with the application forms, pay-in-slip and one additional specimen signature slip in case the account is to be opened at SO or two additional specimen signature slips in case the account is to be opened at BO in account with a SO. The Head/Sub Postmaster will take payment of the MO and credit the same under SB for a new account to be opened. The HO/SO should after scrutiny as prescribed in Rule 23, open an account for the depositor and prepare a passbook as per Rule 25 below and send it to the Field Postmaster by registered post for delivery to the depositor.

(4) In case the account is to be opened in a BO, the account office either HO or SO should communicate the transaction to the BO in the next BO Slip and specimen signatures should also be sent.

(5) A SB Money Order received by a Head Office/SO from the Field Post Office should be encashed under the Postmaster/Sub Postmaster's signature and the money order coupon transferred to the SB branch along with the application form and pay-in-slip concerned in the case of new account to be opened.

(6) M.O. Coupon should be attached to the list of transactions and should be preserved/destroyed along with the latter.

(7) In case of subsequent deposits received through Field Post Offices the pay-in-slip will be prepared by Head/Sub Office, and signed by the Postmaster/Sub Postmaster.

(8) The counterfoil of the pay-in-slip should be pasted to the reverse of the money order acknowledgment i.e. the side on which the signature of the payee appears. In case of new account, the MO acknowledgment may also be included in the same registered cover in which passbook is sent to Field Postmaster. The Postmaster/Sub Postmaster will ensure that this is done by the counter Assistant. All other Savings Bank money order acknowledgments will be transferred on the same day to the MO Paid branch by entry in the hand-to-hand receipt book of the SB branch. The MO paid branch will post these SBMO acknowledgments to the concerned Field Postmaster in a service envelope.

3. It is requested that this may kindly be brought to the notice of all concerned for information, guidance and necessary action.

4. This issues with the approval of Member (I&FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to-

1. Director of Audit (P&T), Delhi.
2. All Directors/Dy. Directors of Accounts, Postal
3. Director, Postal Staff College, Ghaziabad.
4. All Directors, Postal Training Centers.
5. DDG(FS)/DDG(VIG)
6. ADG(BS)
7. AD Inspection/PF/Vigilance/Postal Accounts Section
8. All Accounts Officers ICO(SB)
9. All recognized Staff Unions and Associations.
- 10 Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 11 PS to Member (I&FS)

SB ORDER NO. 9 /2007

No.110-13/2004-SB (Vol-II)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 22.6.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Payment of money when signatures of depositor differs or not available in PO record- a clarification regarding.

Sir / Madam,

During scrutiny of some fraud cases, it has come to the notice of this office that in case signature of depositor differs or not available in the Post office and withdrawal form is presented by a messenger, the payment is being made to the messenger by taking witness of either depositor or messenger on the withdrawal form thereby resulting in misappropriation of money by the messengers. The identification of messenger is not prescribed in any rule.

2. Rule 36 of POSB Manual is very clear in this respect. However **it is further clarified that if withdrawal form is presented by messenger and the signature of depositor differs with the signature on record, the payment should only be made to the depositor himself after his proper identification by one of various means mentioned in Rule 36 and Rule 37 of POSB Manual Vol-I. In case of non-availability of original SB-3, revised SB-3 should be taken from the depositor after completing all the formalities required at the time of opening of new account. This revised SB-3 should be attested by the APM/SPM and remark should be given on the top of it as "Revised". It should also be date stamped and then payment should be made to the depositor himself.**

3. It is requested that this may kindly be brought to the notice of all post offices for information, guidance and necessary action. It is also requested that SBCO staff should be directed to see while checking the vouchers that this procedure is followed and brought the lapses to the notice of concerned divisional head if any.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to-

1. Director of Audit (P&T), Delhi.
2. All Directors/Dy. Directors of Accounts, Postal
3. Director, Postal Staff College, Ghaziabad.
4. All Directors, Postal Training Centres.
5. DDG(PG)/DDG(VIG)

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10. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
11. PS to Member (I&FS)

SB ORDER NO. 10 /2007

No.107-2/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 27.6.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Issue of TDS certificate in respect of Commission paid to agents, TDS from SCSS and NSS-87 accounts.

Sir / Madam,

This office is receiving number of complaints regarding non/late issue of TDS certificate by post offices. This office is issuing instructions time and again for issue of TDS certificate in the prescribed form 16A by the incharge of post office who is deducting TDS. The relevant rules and instructions on this subject are once again reiterated below:-

2. **As per Rule 31 of Income Tax Rules (copy enclosed), the authority deducting TDS is required to issue certificate in Form 16A within the prescribed limit. The prescribed limit for the NSS-87, SCSS and Commission paid to agents is as under:-**

- (i) **NSS-87:- In this case withdrawal is made once in a year and TDS certificate is required to be issued within one month from the end of the month during which amount is paid.**
- (ii) **SCSS/ Commission paid to Agents:- In this case, TDS is deducted many times in a financial year. TDS certificate in these categories should be issued within a week after the expiry of two months from the month in which tax is deducted OR a consolidated TDS certificate for the whole financial year may be issued within one month of the end of the financial year on request from the payee.**

3. As per Section 272A of IT Act, if the certificate is not issued within the prescribed limit mention above, **a penalty of Rs. 100/- per day** may be imposed on the authority responsible for issue of certificate.

4. In the form 16 A (Copy enclosed), **TAN (Tax Deduction account number)** of the authority issuing certificate is required to be mentioned. It was circulated vide this office letter number 35-58/94-SB II dated 23.3.1995 that Postmasters should only obtain TAN and mention it at the appropriate place in Form 16 A. **However, TDS in respect of NSS-87, SCSS 2004 and commission paid to agents is being deducted at the level of Sub Post Offices and as per provisions of I.T.Act, SPMs are also required to issue TDS certificate for the TDS deducted in their offices.**

5. It is therefore informed that all the **Postmasters should intimate their TAN to SPMs under their jurisdiction and SPMs will issue TDS certificate in form 16A by mentioning TAN intimated by the Postmaster. Against the column PAN/GIR, they may mention "Not Applicable". In the column for particulars of Tax deposited, they may mention "Transferred to Department of Income Tax by book adjustment through DAP_____"** (name of concerned DAP should be written).

6. It is requested that this may kindly be brought to the notice of all post offices for information, guidance and necessary action. **Suitable action may be taken against the officials against whom the complaints of non/late issue of certificate are received.**

7. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to-

- (i) Director of Audit (P&T), Delhi.
- (ii) All Directors/Dy. Directors of Accounts, Postal
- (iii) Director, Postal Staff College, Ghaziabad.
- (iv) All Directors, Postal Training Centres.
- (v) DDG(PG)/DDG(VIG)
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- (vii) AD PG/Inspection/PF/Vigilance/Postal Accounts Section
- (viii) All Accounts Officers ICO(SB)
- (ix) All recognized Staff Unions and Associations.
- (x) Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- (xi) PS to Member (D)

SB ORDER NO. 11 /2007

**No.113-10/2004-SB(Pt)
Government of India
Ministry of Communications & IT
Department of Posts**

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 20.7.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

IMMEDEATE

**Subject:- Amendment to Rule 4 of Post Office Saving Account Rule
1981 regarding opening of Pension Account.**

Sir / Madam,

This office is receiving number of references for allowing opening of Pension Account by joint holders. The matter was referred to Min. of Finance. Now, item 3 of the table below Rule 4 (Pension Account) of Post Office Saving Account Rules 1981 has been amended by MOF vide its notification dated 11.7.2007 issued vide File No. 2/5/2006-NS-II. Copy of this amendment is enclosed.

2. **As a result of this amendment, a pensioner can now open pension account either individually or jointly with his or her spouse in whose favour an authorization for family pension exists in the Pension Payment Order. In case of withdrawal from joint pension account, either of the joint account holders can make withdrawals.**

3. At present, the retired employees of Railways, Telecom and Postal departments can draw pension through pension accounts opened for this purpose. With this amendment, this restriction has been withdrawn. **Now, retired employee of any govt. department can draw pension through pension account. For this purpose, the department concerned will have to approach this office for acceptance of terms and conditions as laid down for Railways and Telecom departments.**

4. The existing Railway, Telecom and Postal pensioners can also convert their existing pension account into joint account. For this, the procedure laid down for conversion of single saving account into joint saving account may be followed with the exception that the concerned Postmaster/Sub Postmaster will verify the name of joint holder (spouse) mentioned in revised SB-3 with that of PPO and ensure that the this joint holder is the authorized person to draw family pension as mentioned in the PPO.

5. It is requested that this may kindly be brought to the notice of all post offices immediately for information, guidance and necessary action.

6. This issues with the approval of DDG(FS)

Yours faithfully,

**(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)**

Copy to:-

1. CGM(BD&M) for publicity of para 3 of this order.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(PG)/DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(Pension)/ADG(CB)
8. AD PG/Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)

SB ORDER NO. 12 /2007

**No.110-1/2006-FS
Government of India
Ministry of Communications & IT
Department of Posts**

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 5.9.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

IMMEDEATE

Subject:- Amendment to Rule 4 and Rule 5(1) of Monthly Income Account Rule 1987 regarding maximum limit of investment in MIS.

Sir / Madam,

Min. of Finance, (DEA) Has amended Rule 4 and Rule 5(1) of Post Office Monthly Income Account Rules 1987 vide its notification dated 1.8.2007 issued vide File No. 2/10/2007-NS-II. Copy of this amendment is enclosed.

2. **As a result of this amendment, now only one deposit in the MIS account in multiple of Rs. 1500/- can be made instead of Rs. 1000/- as provided earlier.**

3. The maximum limit of investment in a single account has been raised from Rs. 3 lakh to Rs. 4.5 lakh and in joint account opened by two or three adults; the maximum limit has been raised from Rs. 6 lakh to Rs. 9 Lakh.

4. It has been observed that a declaration from the depositor that “ **the deposit in all accounts taken together opened by him do not exceed the maximum limit**” is not being obtained in SB-3 while opening MIS account which is resulting in opening of MIS accounts in contravention of Rule 4. Also the depositors are not being guided properly regarding share of the depositor in joint account. It is reiterated that as per MOF(DEA) Notification No. GSR 706(E) dated 5.9.2000, **the depositor's share in the balance of a joint account shall be taken as ½ or 1/3rd of such balance held in a joint account opened by two adults or three adults respectively.** Min of Finance has taken a serious view on non-observance of rules by the postal staff, which is resulting in financial loss to the Govt. in court cases. MOF has asked to give proper training to the staff working on counters and take disciplinary action against the officials responsible for such lapses.

5. It is requested that this amendment may be brought to the notice of all post offices immediately for information, guidance and necessary action and necessary action may also kindly be taken with regard to para 4 above.

6. This issues with the approval of DDG(FS)

Yours faithfully,

**(Kawal Jit Singh)
Assistant Superintendent Posts**

(SB&CC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle with the request to issue instructions for making required changes in Sanchay Post Software.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)

SB ORDER NO. 13 /2007

**No.32-1/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts**

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 5.9.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

**Subject:- Settlement of PPF Claims of Subscribers, who go missing-
guidelines issued by Min. of Finance.**

Sir / Madam,

The undersigned is directed to enclose copy of O.M. No. 7/7/2005-NS-II dated 6.8.2007 issued by Min. of Finance on the subject.

2. It is requested that these guidelines may be brought to the notice of all post offices immediately for information, guidance and necessary action.

Yours faithfully,

**(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)**

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)

SB ORDER NO. 14 /2007

No.79-8/2004-FS (Vol-V)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 20.10.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Deduction of TDS and issue of TDS certificate for the interest paid to the depositors of Senior Citizen Savings Scheme accounts – Procedure regarding

Sir / Madam,

The undersigned is directed to say that the rates of Tax / Surcharge and Education Cess to be deducted on the interest paid to depositors w.e.f. 01.06.2007 were intimated vide this office letter no. 79-08/2004-FS (Vol.-V) dated 25.05.2007 (SB Order No.4/2007). No tax is to be deducted if the interest paid or payable does not exceed Rs.10,000/- during the financial year. Tax shall also not be deducted at source on payment of interest payable from 1.6.2007 to resident individuals who furnish a declaration in writing (in duplicate) in **form 15-G** up to the amount of withdrawal of **Rs. 1,10,000/- per year (for men)** and **Rs. 1,45,000/- per year (for women)**. No tax will be deducted on payment of interest to senior citizens of 65 years of age or above who furnish declaration in writing (in duplicate) in **Form 15-H**.

2. The TDS certificate is to be issued to the depositor in Form 16-A within a week after the expiry of two months from the month in which tax is deducted OR a consolidated TDS certificate for the whole financial year may be issued within one month of the end of the financial year on request from the payee. In this form TAN (Tax deduction Account Number) of the authority issuing the certificate is required to be mentioned. Under the scheme the Sub Postmasters will also issue the TDS certificate and they will mention the TAN (Tax deduction Account Number), of the Postmaster allotted to them by the Income Tax Authorities.

3. The Form 15-G or 15-H as applicable is required to be furnished by the depositors once in a financial year in respect of interest drawn during the financial year. The form is to be furnished in duplicate. It should be ensured that the depositor has given his complete postal address in Form 15 G or Form 15-H.

4. In order to keep a record of the tax deducted and TDS Certificate issued, the Head and Sub Post Offices will follow the following procedure:-

- (i) The tax deducted on the interest paid / payable will be noted in remarks column of the pass book/ledger and at the top of the withdrawal form under the dated signature of the APM / SPM.
- (ii) After the close of the day, a schedule in the following form will be prepared from the withdrawal forms in the HO / SO.

Schedule of tax deducted on the interest paid in SCSS accounts on
at.....HO/SO

Sl.No.	Name of depositor	Account number	Tax deducted Rs.	Remarks
1	2	3	4	5
Total				

Date / Stamp
/SPM

Signature of PM

- (iii) The schedule will be prepared in triplicate in sub offices and two copies will sent to HO alongwith forms 15 G and 15 H in support of amount charged in the daily account and SO account. The third copy of the schedule will be filed in a separate guard file to be opened for each financial year. In the Head Office the consolidated schedule will be prepared in triplicate incorporating the transactions of the HO and sub offices as a whole.
- (iv) The amount of tax deducted will be shown on the receipt side in all the account records under a separate head "Tax deducted on the interest paid in SCSS accounts."
- (v) In HO, after the close of the month, one copy of schedule will be sent to the Postal Account Office along with cash account. The second copy will be sent to the Commissioner of Income Tax along with Forms 15G or 15H. The third copy will be retained in HO. The schedules will be checked by the APM incharge and preserved up to 5 years.
- (vi) In case of SCSS, TDS is deducted many times in a financial year. TDS certificate in form 16A should be issued within a week after the expiry of two months from the month in which tax is deducted OR a consolidated TDS certificate for the whole financial year may be issued within one month of the end of the financial year on request from the payee. The office at which account stands opened i.e either SO or HO will issue this certificate and TAN number of postmaster of HPO will be noted in the form 16A.
- (vii) TDS certificate in form 16A should be prepared in duplicate and receipt of the depositor should be obtained on the office copy. The guard file containing the office copied of certificates issued will be preserved for 5 years.

5. It is requested that the above procedure may kindly be brought to the notice of all the sub and head post offices for information, guidance and necessary action.

6. This issues with the aprval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
- 10.All recognized Staff Unions and Associations.
- 11.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12.PS to Member (I&FS)

SB ORDER NO. 15 /2007

No.79-8/2004-FS (Vol-V)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 15.11.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Senior Citizen Saving Scheme (SCSS) 2004- Payment of Interest in cases of Pre-mature closure of account.

Sir / Madam,

The undersigned is directed to say that Min of Finance, in a clarification given to this office vide its letter No. F.15/8/2005-NS-II dated 25.2.2006 **{further circulated vide this office letter of even number dated 2.3.2006 (SB Order No.3/2006)}** had clarified that the interest in such cases would be payable **up to the end of the month preceding the month in which the account is pre-maturely closed.** However vide its letter No. F.15/8/2005-NS-II dated 11.5.2006 addressed to RBI, MOF had clarified that in cases of pre-mature closure of SCSS accounts (other than cases of death of depositor), the interest will be payable **till the date of premature closure**, after deduction of penalty, as specified in Rule 9(I) (a)&(b) of SCSS Rules 2004. Some circles have pointed out that both clarifications are at variance and some depositors are demanding interest till the date of premature closure of their SCSS accounts based on the clarification issued by RBI to the Banks.

2. The matter was referred to the Min. of Finance, which now vide its letter No. F.15/8/2005-NS-II dated 1.11.2007 has clarified that its letter dated 25.2.2006 issued to this office is superseded by its letter dated 11.5.2006 issued to RBI.

3. Hence it is clarified that from 11.5.2006 onwards, in case of premature closure of SCSS account, interest is payable up to the date preceding the date of premature closure (Except in case of death of depositor) after deduction of penalty, as specified in Rule 9(I) (a)&(b) of SCSS Rules 2004. For calculating the interest of broken period of a quarter, the formula circulated vide this office letter of even number dated 16.3.2006 **(SB Order No. 5/2006)** may be adopted.

4. It is requested that the above clarification may kindly be brought to the notice of all the sub and head post offices for information, guidance and necessary action.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle for making changes in the software if required any.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
- 10.10.All recognized Staff Unions and Associations.
- 11.11.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12.12.PS to Member (I&FS)

SB ORDER NO. 16 /2007

No.110-02/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 23.11.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Regularization of MIS accounts opened with minimum deposit of Rs.1000/- after 1.8.2007 up to date of receipt of amendment in MIA Rules 1987.

Sir / Madam,

The undersigned is directed to refer to this office letter No. 110-1/2006-FS (SB Order 12/2006) dated 13.8.2007 vide which it was conveyed that MOF has amended Rule 4 and 5(1) of MIA Rules from 1.8.2007. As per amended rules, the MIS account is to be opened only in multiple of Rs.1500/- instead of Rs. 1000/- from 1.8.2007.

2. It has been brought to the notice of this office by some circles that in some post offices accounts in multiple of Rs.1000/- have been opened in between 1.8.2007 and the date of receipt of this office SB Order dated 13.8.2007 and these may be regularized.

3. The matter was referred to Min. of Finance and it has now been decided by the Min. of Finance vide letter No. 2/17/2007-NS-II dated 19.11.2007 to regularize all MIS accounts opened with the deposit of Rs.1000/- or in multiple thereof from 1.8.2007 till the date of receipt of notification.

4. It is requested that all such accounts if found opened any due to late receipt of notification may be treated as regularized and usual interest may be paid to the depositors as admissible under the MIA Rules 1987. This may be brought to the notice of all the sub and head post offices for information, guidance and necessary action.

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle for making changes in the software if required any.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)

7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

SB ORDER NO. 16 /2007

No.110-02/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 30.11.2007

CORRIGENDUM

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Regularization of MIS accounts opened with minimum deposit of Rs.1000/- after 1.8.2007 up to date of receipt of amendment in MIA Rules 1987.

Sir / Madam,

The undersigned is directed to refer to this office letter No. 110-1/2006-FS (SB Order 16/2006) dated 23.11.2007. In para 1 of this order, the dates mentioned as 1.1.2008 may be read as 1.8.2007. The other text of the order holds good.

2. This may kindly be brought to the notice of all the sub and head post offices for information, guidance and necessary action.

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle for making changes in the software if required any.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
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7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

SB ORDER NO. 17 /2007

No.32-1/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001,Dated: 3.12.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Acceptance of subscription in PPF account by cheque/demand draft- a clarification regarding.

Sir / Madam,

The undersigned is directed to say that in case of acceptance of subscription in PPF account by cheque/demand draft, as per Rule 152(iii) of POSB Manual Vol-I, the date of tendering cheque/ draft (local) at the post office will be treated as the date of deposit when it is realized and credit of cheque will be given only after the cheque/draft tendered for collection is realized. Also in case of new accounts, the account will be opened only after the cheque/draft has been realized.

2. It has been brought to the notice of this office that in some Head Post Offices the amount of these cheques/drafts is being posted in the ledger by showing the date of clearance as the date of credit. This is resulting in loss to the subscribers of PPF accounts as the interest in PPF is allowed only on the credits given up to 5th of each month.

3. In case of RD scheme, the procedure of taking into account the cheque/draft/pay order presented for RD deposit has been mentioned in Rule 108 of POSB Manual Vol-I where it has been mentioned that credit for the value of instrument (cheque/draft) should be given in the account on the same day with the remark against the deposit in RD ledger card/Sub office RD ledger and LOT to show that the deposit is by cheque, pay order etc. and the value of the instrument should be shown as remittance to the treasury(bank). However, entry in the passbook will be made only after the cheque/draft is realized.

4. It is clarified that since the date of tendering of cheque/draft(Local) is the date of credit in both RD as well as PPF schemes, the procedure laid down in Rule 108 of POSB Manual Vol-I (except for outstation cheques) adopted for deposit in RD accounts by cheque/draft should also be adopted in case of PPF accounts as well so that subscribers of PPF accounts may not suffer loss of interest. The procedure for deposit through outstation cheques as mentioned in rule 152(iv) of POSB Manual Vol-I will remain unchanged.

5. It is requested that the above clarification may kindly be brought to the notice of all the sub and head post offices for information, guidance and necessary action. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)

Assistant Superintendent Posts
(SB&CC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle for making changes in the software if required any..
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
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7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
- 10.10.All recognized Staff Unions and Associations.
- 11.11.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12.12.PS to Member (I&FS)

SB ORDER NO. 18 /2007

No.110-02/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001,Dated: 10.12.2007

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Amendment in rule 9, sub-rule(1) of Post office Monthly Income Account Rules 1987- admissibility of 5% bonus on MIS account opened on or after 8.12.2007 regarding.

Sir / Madam,

The undersigned is directed to enclose copy of Min. of Finance (DEA) Notification No. 2/2/2006-NS-II dated 8.12.2007 vide which another proviso after the existing proviso of sub-rule (1) of Rule 9 of MIA Rules 1987 has been inserted with the provision of admissibility of 5% bonus on maturity amount of MIS accounts opened on or after 8.12.2007. Printed copy of the notification will follow.

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle for making changes in the software if required any.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

SB ORDER NO. 1/2008

No.111-01/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 22.1.2008

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Issue of Sanction Memo of deceased claim cases of various Small Savings Schemes- a clarification regarding.

Sir / Madam,

This office is receiving references from the field units for issue of clarification as to whether format of Sanction Memo prescribed in Appendix-VII of POSB Manual Vol-I is applicable to all Savings Schemes accounts.

2. It is clarified that provisions regarding admissibility of interest in deceased claim cases in various Small Savings Schemes are different. The format of Sanction Memo prescribed in Appendix-VII of POSB Manual Vol-I is meant for only Savings Accounts. For issuing sanction of the deceased claim cases of other Savings Schemes accounts, the sanctioning authority should delete Para 3 and manually modify Para 2 of this sanction memo with regard to payment of interest to the extent prescribed in the rules of respective schemes.

3. This may kindly be brought to the notice of all concerned.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts
(SB&CC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)

13.PPS to Secretary (P).

F.No. 116-09/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts
(FS Division)

Dated 4.2.2008

To
All Heads of Circles/Regions

Subject: - Updating of data of all categories of accounts in all HPOs for HO as well as SO group and review of decetralization of RD/MIS/SCSS policy in the light of frauds being detected in Sub Post Offices.

Sir/Madam,

Your kind attention is being drawn towards item No. 6 of Priority Letter No.5 dated 29.10.2007 issued by Secretary Posts vide which it was desired to ensure that all data regarding POSB and Savings Certificates pertaining to HO as well as SO group in each HPOs is entered in the computerized system by 31.3.2008.

2. In this connection, reference is invited to this office D.O.Letter No. 107-1/06 dated 13.12.2006, 23.1.2007 of DDG(FS), reminders dated 21.5.2007 and 20.7.2007 on updation of data. On review of the reports received from some circles, it is observed that posting work of SO group in HOs particularly for RD/MIS/SCSS is still in huge arrear and progress on this point is very slow.

3. DDG(Vig), while reviewing fraud cases has also observed that frauds in RD/MIS in Single Handed Sub Post Offices are being noticed due to non-availability of up-to-date data required for second check in HPOs. Ledger Agreement of these schemes is also in huge arrear in SBCOs due to which the possibility of such frauds going unchecked is high.

4. The whole issue of data updating as well as decentralization of RD/MIS/SCSS is under consideration in this office. Final decision and broad guidelines will be issued separately.

5. In the meanwhile, it is seen that the most fraud prone offices are Single Handed SOs and those Double handed SOs, which are running, by single hand due to shortage of staff. To have a better control and monitoring over Savings Bank operations in these offices, the following steps may be observed as interim guidelines w.e.f 15.2.2008:-

(a) For Single and Double Handed Sub Post Offices:-

- (i) With effect from 15.2.2008, all Single/Double handed Sub Post Offices, at the time of closure/premature closure of RD/MIS/SCSS accounts will collect closed passbook from the depositor and attach the same with account closure form and send in a manner as prescribed for dispatch of vouchers and LOT to HO.
- (ii) The SPM will issue a certificate to the depositor for closed account if demanded in the attached format as Annexure-I.

- (iii) No account shall be closed without passbook. Non-submission of closed passbook duly cancelled with account closure voucher will attract disciplinary action.
- (iv) All Single/Double handed SOs will not issue any duplicate passbook for these schemes. When an application for issue of duplicate passbook is presented in such SOs, the SPM will prepare certified copy of ledger-card of the account and send the same to HPO duly entered in SO daily account.

(b) For SO Group in Head Post Offices:-

- (i) In HPOs, daily consolidation and vouchers alongwith LOTs will be transferred to SBCO as per existing procedure.
- (ii) On receipt of application for issue of duplicate passbook, the same will be transferred to I/C SBCO under receipt.
- (iii) On receipt back of application from I/C SBCO duly approved, APM(SBSO) will prepare and issue duplicate passbook and dispatch to SO duly entered in SO Slip.
- (v) All such applications will be kept in a guard file and preserved by APM (SBSO) in his/her personal custody for 5 years.
- (iv) Postmaster of HPO and APM(SBSO) will be personally held responsible if any of these guidelines is not properly followed.

(c) For SBCO in Head Post Offices:-

- (i) SBCO is expected to have data in their computers for RD/MIS and SCSS schemes relating to SOs as prescribed vide SB Order No. 8/2003 issued vide this office letter No. 113-1/2002-SB dated 5.5.2003. On receipt of daily return from SBSO, SBCO will check 100% vouchers of closed accounts pertaining to RD/MIS/SCSS schemes of these SOs.
- (ii) During the course of voucher checking, SBCO will verify one deposit entry in each qtr. mentioned in the passbook in case of RD with relevant entries available in the computer or where the data in computer is either not fed or partially fed in SBCO, from List of Transactions of the respective SOs kept office-wise and date-wise in monthly bundles. Similarly, in case of MIS and SCSS, all deposit entries in the passbook will be verified.
- (iii) SBCO will maintain a register office wise as well as scheme-wise for the accounts closed w.e.f 15.2.2008 by such SOs. Format of the register is attached with this letter as Annexure-II.
- (vi) Incharge SBCO will immediately brought to the notice of Postmaster as well as Divisional Head, any discrepancy including non-receipt of passbook with account closure form if noticed in any account.
- (vii) Incharge SBCO will be held personally responsible if any of these guidelines is not properly followed

(d) For Divisional Head:-

- (i) Divisional Head will provide list of Single as well as double handed offices to SBCO well before 15.2.2008.
- (ii) No staff of SBCO will be utilized for any postal operations.
- (iii) Prompt action should be taken as and when any report is received from Postmaster or I/C SBCO.
- (iv) Divisional Heads will be held personally responsible for overall implementation of these guidelines w.e.f 15.2.2008. They will

- monitor the implementation of these guidelines in SBCO and mention the progress/results in their fortnightly diary.
- (v) Divisional head will identify most sensitive single and double handed offices and supply list of the same to Circle Checking squad for surprise visits.
 - (vi) SDI/ASP Sub divisions may also be given list of such Sub Post Offices with the direction to carry out surprise visits.
 - (vii) Wherever possible, one of the SBCO officials may be deputed to visit these offices for on the spot random checking of work relating to RD/MIS/SCSS schemes.

(e) For Regional/Circle Offices:-

- (i) It may be ensured that these guidelines are promptly circulated up to all Sub Post Offices level well before 15.2.2008.
- (ii) Receipt of this letter is acknowledged to the undersigned.
- (iii) On receipt of list of most sensitive Single/Double handed offices, the Circle Checking Squad will pay surprise visits and check randomly the work relating to RD/MIS/SCSS schemes.
- (iv) An implementation report may be sent to this office by 29.2.2008.

Yours Sincerely,

(A.P.Srivatava)
Dy. Director General (FS)

DA- Annexure-I & II

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

F.No. 116-09/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts
(FS Division)

Dated 12.2.2008

CORRIGENDUM

To
All Heads of Circles/Regions

Subject: - Updating of data of all categories of accounts in all HPOs for HO as well as SO group and review of decetralization of RD/MIS/SCSS policy in the light of frauds being detected in Sub Post Offices.

Sir/Madam,

This is in continuation of this office letter of even number dated 4.2.2008. Some of the clauses of Para 5 (b) and (c) of this letter have been modified. Revised text of these paras is as follows:-

5. (b) For SO Group in Head Post Offices:-

- (i) In HPOs, daily consolidation and vouchers along with LOTs will be transferred to SBCO as per existing procedure.
- (ii) On receipt of application for issue of duplicate passbook, the same will be transferred to I/C SBCO under receipt.
- (iii) On receipt back of application from I/C SBCO duly approved, APM(SBSO) will prepare and issue duplicate passbook and dispatch to SO duly entered in SO Slip.
- (iv) APM (SBSO) will maintain a register in manuscript for issue of duplicate passbooks and enter all the applications date wise indicating date, account number, name of SO, balance as on date, initials of APM etc..
- (v) All such applications will be kept in a guard file and preserved by APM (SBSO) in his/her personal custody for 5 years.
- (vi) Postmaster of HPO will check this register with guard file once in a fortnight and put his dated signatures in token of having checked the same.
- (vii) Postmaster and APM(SBSO) will be personally held responsible if any of these guidelines is not properly followed.

(c) For SBCO in Head Post Offices:-

- (i) SBCO is expected to have data in their computers for RD/MIS and SCSS schemes relating to SOs as prescribed vide SB Order No. 8/2003 issued vide this office letter No. 113-1/2002-SB dated 5.5.2003. On receipt of daily return from SBSO, SBCO will check 100% vouchers of closed accounts pertaining to RD/MIS/SCSS schemes of these SOs.
- (ii) During the course of voucher checking, SBCO will verify one deposit entry in each qtr. mentioned in the passbook in case of RD with relevant entries available in the computer or where the data in computer is either not fed or partially fed in SBCO, from List of

Transactions of the respective SOs kept office-wise and date-wise in monthly bundles. Similarly, in case of MIS and SCSS, all deposit entries in the passbook will be verified.

- (iii) SBCO will maintain a register office wise as well as scheme-wise for the accounts closed w.e.f 15.2.2008 by such SOs. Format of the register is attached with this letter as Annexure-II.
- (iv) Incharge SBCO will check this register on daily basis and put his dated signatures at the end of each day in token of having checked the register. He will immediately brought to the notice of Postmaster as well as Divisional Head, any discrepancy including non-receipt of passbook with account closure form if noticed in any account.
- (v) On receipt of application for issue of duplicate passbook along with certified copy of ledger from SBSO, I/C SBCO will personally verify all the deposit entries in the ledger copy with the data available in the computer or if data is not fed or partially fed, from the LOTs of the concerned sub office. After satisfying himself of the balance noted in the ledger copy, he will put the words" Approved" on the application form and return the same to APM(SBSO) under receipt.
- (vi) Incharge SBCO will be held personally responsible if any of these guidelines is not properly followed.

This may kindly be brought to the notice of all concerned.

Yours Sincerely,

(A.P.Srivatava)
Dy. Director General (FS)

Copy to:-

- (i) Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
- (ii) Director of Audit (P&T), Delhi.
- (iii) All Directors/Dy. Directors of Accounts, Postal
- (iv) Director, Postal Staff College, Ghaziabad.
- (v) All Directors, Postal Training Centers.
- (vi) DDG (FS)/ DDG(VIG)/DDG(Estt.)
- (vii) ADG(BS)/ ADG(CB)/ADG(SBC)
- (viii) AD Inspection/Vigilance/Postal Accounts Section
- (ix) All Accounts Officers ICO(SB)
- (x) All recognized Staff Unions and Associations.
- (xi) Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- (xii) PS to Member (I&FS)
- (xiii) PPS to Secretary (P).

SB ORDER NO. 3/2008

No.113-11/2003-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 19.2.2008

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Re-payment of any deposit or loan together with interest in any Small Savings Scheme except Savings Account if the amount is Rs. 20,000/- or more- a clarification regarding.

Sir / Madam,

Kindly refer to this office letter of even number dated 10.1.2006 and 28.9.2006 on the subject cited above. This office is receiving references from the field units for issue of clarifications on this issue.

2. As per provisions of Section 269-T of Income Tax Act, amount of any repayment of deposit or loan together with interest made with Department of Posts if becomes Rs. 20,000/- or more, it can only be made by account payee cheque or account payee bank draft or by crediting into Savings Bank Account if standing at the same post office.

3. Hence, it is clarified that any repayment of deposit together with interest in any of the Small Savings Schemes except Savings Account if becomes Rs.20,000/- or above should only be made either by account payee cheque or by crediting into Savings Account of the person standing at the same post office provided that maximum limit prescribed for single as well as joint Savings Account is not exceeded.

4. **It is further clarified that re-payment of Rs.20,000/- or above in any of the Small Savings Schemes except Savings Account can not be made by cash in any case. Any violation of these instructions will be treated as a CORRUPT PRACTICE and the disciplinary authority will take disciplinary action against the official responsible accordingly.**

5. This may kindly be brought to the notice of all concerned.

6. This issues with the approval of DDG(FS)

Yours faithfully,

(R.K.Kashyap)
Director (FS)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

SB ORDER NO. 4/2008

No.113-5/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 14.3.2008

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Amendment to Rule 24(2) of Appendix-I of POSB Manual Vol-I (1988 edition)/ Rule 24(3) of Appendix-I of POSB Manual Vol-I (corrected up to 31.12.2006) regarding withdrawal by SB-7 in cheque account.

Sir / Madam,

The undersigned is directed to say that the competent authority has amended Rule 24(2) of Appendix-I of POSB Manual Vol-I (1988 edition)/Rule 24(3) of Appendix-I of POSB Manual Vol-I (corrected up to 31.12.2006 & available on India Post web site). The text of the present provisions and amended provisions is given below:-

Rule 24(2) of Appendix-I of POSB Manual Vol-I (1988 edition)/ Rule 24(3) of Appendix-I of POSB Manual Vol-I (corrected up to 31.12.2006 & available on India Post web site).

Present provision

If a depositor of a cheque account wants to withdraw by means of an application for withdrawal, the postmaster should carefully examine the same and satisfy himself that the withdrawal is genuine. Withdrawal by means of application for withdrawal may be allowed in special cases.

Amended provision

If a depositor of a cheque account wants to withdraw by means of an application for withdrawal, the postmaster should carefully examine the same and after due satisfaction that the withdrawal is genuine may allow the withdrawal.

2. This may kindly be brought to the notice of all concerned.
3. This issues with the approval of Member (I&FS).

Yours faithfully,

(Kawal Jit Singh)
ASP(SB&CC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle. It is requested that Sanchay Post software may be amended accordingly if required.

2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

SB ORDER NO. 5/2008

No.116-11/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 7.4.2008

To

All Heads of Circles/Regions

Subject:- Security of important documents like Ledger Cards, SB-3, Index to ledger cards, Specimen Signature Books and Purchase applications of NSC/KVP etc. used in POSB/SC operations.

Sir / Madam,

The undersigned is directed to say that Member (I&FS) during her visit to one Head Post Office has observed that important documents like Ledger Cards, SB-3, Index to ledger cards, Specimen Signature Books and Purchase applications of NSC/KVP etc. used in POSB/SC operations are lying in open and unarranged manner which is fraught with great risk. It has been desired by Member (I&FS) that immediate action should be taken for safeguarding and securing these crucial documents in all post offices. For this purpose, readymade steel almirahs of suitable design are available in the market or any other secure filing systems may be considered.

2. It is requested that necessary instructions may be issued to all divisional heads for taking immediate and prompt action in this regard.

3. This issues with the approval of Member (I&FS).

Yours faithfully,

(Kawal Jit Singh)
ASP(SB&SC)

Copy to:-

1. DDG (FS)/ DDG(VIG)
2. PS to Member (I&FS)

SB ORDER NO. 6/2008

No.116-11/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 7.4.2008

To

All Heads of Circles/Regions

**Subject:- Mentioning of card numbers issued to RD depositors by
MPKBY agents in Schedule of RD Deposits.**

Sir / Madam,

The undersigned is directed to say that Member (I&FS) during her visit to one Head Post Office has observed that some of the MPKBY agents are not mentioning card numbers issued to RD depositors in the RD Schedules, which is very serious issue.

2. It is requested that necessary instructions may be issued to all post offices to ensure that card numbers are mentioned in the Schedule of RD deposits before accepting the same.

3. This issues with the approval of Member (I&FS).

Yours faithfully,

(Kawal Jit Singh)
ASP(SB&SC)

Copy to:-

1. DDG (FS)/ DDG(VIG)
2. PS to Member (I&FS)

SB ORDER NO. 7/2008

No.76-1/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 9.4.2008

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Release of 6.0 version of Sanchay Post Software.

Sir / Madam,

The undersigned is directed to say that after Sanchay Post Software Version 5.0, the New Version 6.0 has now been released by SDC Chennai vide Director Foreign Post & Marketing T.N.Circle Chennai D.O. letter No. Tech-2/19/06-07/II-OC dated 17.3.2008. This is an upgraded version of Version 5.0. No other version is released in between 5.0 and 6.0. It is requested that in those post offices where Sanchay Post Version 5.0 CD has been installed, there is no need to purchase fresh CD of Version 6.0 and the system may be upgraded by using copy of CD of 6.0 version supplied to the circles/regions. In case of only new locations where Sanchay Post Software is to be installed now, CD of Version 6.0 may be purchased from M/S Datanet Syatems Ltd, Bangalore.

2. For other detailed instructions for upgradation of the software, kindly visit web site www.tamilnadupost.nic.in/sdc/sblan/htm. It is also requested that before upgradation, DBAnalyze Software must be used for analyzing the database discrepancies in the present version and these discrepancies have to be cleared so that the same problems do not occur in the new version also.

3. S.D.C chennai is functioning as a Help Desk providing support through phone calls and e-mails to all the circles. Kindly nominate one circle/regional coordinator for Sanchay Post Software at the level of each region/circle and intimate his/her name, designation, contact number and e-mail Ids to SDC Chennai so that important/critical issues can be easily communicated to all circles/regions regularly without delay.

4. This may kindly brought to the notice of all concerned post offices.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(SB&SC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal

4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

SB ORDER NO. 8/2008

No.109-04/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 9.4.2008

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Closure of Savings Bank account and supply of SB-3 along with account closure form to SBCO- revised instructions regarding.

Sir / Madam,

The undersigned is directed to say that it has been brought to the notice of this office that in case of closure of Saving Bank accounts, Revised SB-3 forms are being supplied to SBCO along with account closure form instead of original SB-3 on the pretext of non-availability of the same. In case of some SOs, revised SB-3 forms have been found prepared with forged signatures resulting in detection of fraud cases at a later stage. In this regard, it seems that procedure prescribed in Rule 21(1) of POSB Manual Vol-I (corrected up to 31.12.2006 and available on web-site) for keeping SB-3 forms in guard files with rings in steel almirahs in bundles of 150-200 and further keeping them locked at the end of the day by the Postmaster are not being followed scrupulously which is leading to inconvenience to the depositors and detection of frauds at a very late stage.

2. It is requested that a special drive in all SO/HPOs may be started to check continuity of all type of SB-3s in all POSB schemes and revised SB-3 forms of all those found missing may be obtained. While taking revised SB-3, obtaining of proper introduction of the depositor on the revised SB-3 as prescribed in the rules for opening of account and copy of identity proof of the depositor should be made compulsory.

3. It may also be ensured that in all SO/HPOs, SB-3 forms should be kept in the manner prescribed in Rule 21(1) of POSB Manual Vol-I as mentioned in Para 1 above and in case of any lapse in this regard, responsibility may be fixed.

4. It is further requested that this revised instruction may be brought to the notice of all Post Offices. I/C SBCO will intimate such type of irregularities to the concerned Divisional Head and from the date of receipt of this order, non-supply of copy of identity proof with Revised SB-3 may be treated as **CORRUPT PRACTICE** and dealt with accordingly.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)

Encl. Copy of rule 21(1) of POSB Manual Vol-I

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

S.B. ORDER NO. 9/2008

NO. 16-5/2007-SB(AO)
Government of India
Ministry of Communication and IT
Department of Posts
(FS Division)

Dak Bhawan,
Sansad Marg,
New Delhi – 110001.

Dated: 10.04.2008.

To

All Heads of Circles/Regions,
Addl. Director General, APS, New Delhi.

Subject: Non-deduction of income tax at source on the payments of interest under Sr. Citizens Small Savings Scheme, 2004.

Sir/Madam,

The undersigned is directed to say that of late this Directorate is receiving draft audit paras on non deduction of income tax at source on the payments of interest under Sr. Citizens Savings Scheme, 2004. Instructions have already been issued to all Heads of Circles/Regions regarding the procedure to be followed on the above subject vide this office letter No. 79-08/2004-FS (Vol. V) dated 25.05.2007 (SB Order No. 4/2007) and letter No. 79-8/2004-FS (Vol. V) dated 25.10.2007 (SB Order No. 14/2007).

Senior Citizens Savings Scheme Rules, 2004 came into effect from August 2004. The deposits made under these rules carry interest at the rate of 9% per annum from the date of deposit payable quarterly. It further envisaged that the applicant while applying for the scheme has to furnish his/her Permanent Account Number or a self declaration to the effect that his/her income from all sources including the interest from the account to be opened did not exceed the exemption limit. Section 194 A of the Income Tax Act, 1962 specified that Tax Deduction at Source is recoverable from the income by way of interest, if the interest exceeds Rs. 5,000/- (Rs. 10,000/- w.e.f. 1.6.2007) in a financial year. Ministry of Finance has clarified in June 2006 that TDS would be applicable from the very first day the SCSS was made operational.

The Director General of Audit, P&T has observed that the Postmasters in many Circles did not observe the provisions of the Income Tax Act which led to non deduction of Income Tax at Source on the payments of interest under the Senior Citizens Savings Scheme 2004. The observations of the DGA, P&T received through draft audit paragraphs are ultimately included in

the Annual Reports of the Controller & Auditor General of India. Due to these irregularities, the Department may have to bear adverse remarks of the Public Account Committee and other Statutory Institutions. Besides this, considerable times needs to be spent in preparation of Action Taken Notes, getting them vetted by Audit and submission thereof to the Monitoring Cell of the Ministry of Finance.

Under these circumstances, it is requested that all the Sub and Head Postmasters may be instructed suitably to observe strictly the provisions of Income Tax Act as and where applicable while making payments so as to avoid any further adverse comments in this matter.

This issues with the approval of DDG (FS).

(P. Panneerselvam)
Accounts Officer (FS)
Tel. No. 23036461

Copy to :-

1. Director (Fgn. Post & Mkt.) O/o Pr. CPMG, T.N. Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal.
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG (VIG)/DDG (Estt.)
7. ADG (BS)/ADG (Pension)/ADG (CB)/ADG (SBC)
8. AD/Inspection/PF/Vigilance/Postal Accounts Section.
9. All Accounts Officers ICO (SB)
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II Section, North Block, New Delhi.
12. PS to Member (I&FS).

SB ORDER NO. 10/2008

No.113-3/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 21.4.2008

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Reinvestment of matured certificates / deposits through authorized Post Office agents- a clarification regarding.

Sir / Madam,

The undersigned is directed to say that number of queries are being received from Agents and Circles about the reinvestment of matured certificates / deposits through the authorized Post Office Agents and the procedure to be followed in this regard.

2. In this connection it is clarified that the reinvestment of matured certificates / deposits either in the same scheme or in any other schemes through the Post Office authorized Agents is admissible except in case of redeposit made in TD account under Sub Rule (3) of Rule 6 of POTD Rules 1981 in which redeposit is made retrospectively from the date of maturity. The agents are entitled to get commission on such re-investments. For this purpose, procedure to be followed is given below:-

(i) The agent will obtain pass book along with account closure form (SB-7A) duly completed and signed by the depositor on both sides or matured certificates duly signed on the back by the investor. The depositor/investor will write on the top of SB-7A or on the top of backside of matured certificate that " Passbook/Certificate(s) handed over to Mr./Ms._____ Agency no._____for re-investment of Rs._____ in _____Scheme" under his/her dated signatures. An application for opening a new account (SB-3) or purchase application for the purchase of certificates duly completed and signed will be obtained from the depositor / investor by the agent. The depositor / investor will write on the application for opening a new account or application for purchase of certificates under his/her dated signature that " Amount of Rs._____ being maturity value of_____ the matured deposit / certificates is being reinvested through the agent(name of agent and C.A. number). The agent will obtain all the documents in the capacity of an agent not as a messenger.

(ii) Since handling of cash is not involved in such cases, the agent will issue a receipt of the documents from the cheque receipt book with suitable remarks and hand it over to the investor as per normal procedure. Particulars of the matured deposit / certificates which is / are to be reinvested will be written in place of cheque number on the receipt. Postmaster will write the amount reinvested and the balance amount returned to the agent on account closure form or on the back of matured certificate under his dated signature. For making reinvestment in accounts/certificates, amount as per required

denomination under the rules gets reinvested and the residual amount gets paid to the investor through agent by crossed cheque only. Cheque should be handed over to the agent under receipt on the account closure form or on the back of matured certificate. No extra amount can be added to the maturity value to be reinvested.

(iii) Normal procedure will be followed for opening of the new account or issue of the certificates. There is no need to issue cheque for the matured amount in case of reinvestment as no cash handling of Rs.20,000/- or more is involved. The balance amount is to be remitted by crossed cheque only as mentioned in para (ii) above.

3. This may kindly brought to the notice of all post offices.
4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(SB&SC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle. It is requested that Sanchay Post software may be got amended accordingly if required.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 10 All recognized Staff Unions and Associations.
- 11 Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12 PS to Member (I&FS)
- 13 PPS to Secretary (P).

No.113-3/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 1.5.2008

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Updating of POSB Manual Vol-I and II and following of rules and procedure regarding.

Sir / Madam,

The undersigned is directed to say that Min. of Finance has taken a very serious view of large number of irregularities being committed in opening of accounts and issue of NSC/KVP by the postal staff and emphasized that strict instructions should be issued to field units for scrupulously following rules and procedure so that investors may not face inconvenience and Government may not face financial loss.

2. It is being informed that POSB Manual Vol-I and Vol-II have been updated up to 31.12.2006. A new book called POSB Manual Vol-III has also been prepared in which all Acts and Rules relating to POSB and SC have been compiled. All these three books are available in the RTI segment of India Post Web-site.

3. It is requested that since printing of these manuals will take some time because of Hindi Translation, which is still under process, one copy of each manual may be downloaded from the web-site and supplied to each post office for day to day use. One set of latest books of Sh. A.N.Dureja may also be supplied to each post office. As and when any change in rules or procedure is issued, SB orders are issued by this office. This may also kindly be ensured that these SB orders are kept year-wise in serial order with APM (counter) as well as APM SO group in all HPOs and with SPM in Sub Post Offices so that staff may be aware of latest changes in rules and procedure.

4. Any irregularity in opening of accounts as well as issue of NSC/KVP may be viewed seriously and strict action may be taken against the operative as well as supervisory staff responsible for the same.

5. This may kindly brought to the notice of all post offices.

6. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(SB&SC)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle. It is requested that Sanchay Post software may be got amended accordingly if required.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section

9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

No.79-8/2004-FS (Vol-V)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 13.5.2008

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Amendment in Rule 3 of SCSS Rules and regularization of SCSS accounts opened in contravention of proviso to Rule 3 sub-rule(2) of SCSS Rules i.e restriction on opening of more than one account in a calendar month in same deposit office- a clarification regarding regularization of accounts already closed before 24.5.2007.

Sir / Madam,

The undersigned is directed to say that some circles were forwarding representations from the depositors of Sr. Citizen Savings Scheme Accounts regarding regularization and refund of interest deducted if any at the time of closure of their accounts found to have been opened in contravention of Proviso to Rule 3 of sub-rule (2) of SCSS Rules 2004 (i.e opening of more than one account in same calendar month in same deposit office) before issue of amendment vide notification dated 24.5.2007.

2. The matter was referred to Min. of Finance which has now informed vide its letter no. 15/3/2006-NS-II dated 29.4.2008 that amendment issued to provision to sub-rule (2) of Rule 3 of SCSS Rules 2004 vide MOF Notification No. GSR 390(E) dated 24.5.2007 issue from file No. 2/8/2004-NS-II is applicable to only those accounts which were still continuing as on 24.5.2007 and the said relaxation cannot be applied to all those irregular accounts which had already been closed before that date and the depositor had withdrawn his money.

3. It is therefore requested that this may be brought to the notice of all post offices and all such cases already referred to this office may be disposed off accordingly and in future no such case needs to be referred to this office.

4. This issues with the approval of DDG (FS).

Yours faithfully,

(Raj Kumar)
ADG(Banking Services)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 10.All recognized Staff Unions and Associations.
- 11.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12.PS to Member (I&FS)
- 13.PPS to Secretary (P).

No.113-3/08-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 19.6.2008

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Investment by NRIs and opening of account by Power of Attorney in Small Savings Schemes- a clarification regarding.

Sir / Madam,

The undersigned is directed to say that some circles have asked for clarifications on the above-subjected issues on the ground that there is no specific provision in the rules of some schemes for investment by NRIs and opening of accounts by Power of Attorney.

2. The matter was referred to Min. of Finance which has now informed that where there is no specific provision for any matter in the rules, it need not to be applied. Hence it is now clarified that NRIs cannot invest in any of the Small Savings Schemes and Power of Attorney cannot open any account in any of the Small Savings Schemes.

3. It is therefore requested that this may be brought to the notice of all post offices and all such matters referred to this office may be disposed off accordingly and in future no such matter needs to be referred to this office.

4. This issues with the approval of DDG (FS).

Yours faithfully,

(Raj Kumar)
ADG(Banking Services)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 10.All recognized Staff Unions and Associations.
- 11.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12.PS to Member (I&FS)
- 13.PPS to Secretary (P).

No.107-1/07-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 23.6.2008

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Acceptance of business from agents found involved in fraud cases.

Sir / Madam,

The undersigned is directed to say that it has been brought to the notice of this office that when any agent is found involved in a fraud case, the appointing authority either takes time or fails to take suitable action for cancellation of his/her agency and till such decision is taken by the appointing authority, the Post Offices continue to accept further business from that agent.

2. The Central Vigilance Commission, while reviewing one of such frauds has suggested that such agents should be black listed and no further business should be accepted from them. The suggestion of CVC has been examined in detail and it has been decided that in case involvement of any agent is established in any fraud case, the appointing authority should immediately be asked to cancel his/her agency and all post offices in the Division should be directed not to accept any further business from that agent. In addition to this, his/her name should be displayed in the premises of all Post Offices in the Division clearly stating that Post Office has suspended business with concerned Agent without mentioning his/her involvement in fraud case as it may attract adverse legal action.

3. It is therefore requested that this may be brought to the notice of all post offices for information and necessary guidance.

4. This issues with the approval of DDG (FS).

Yours faithfully,

(Raj Kumar)
ADG(Banking Services)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

No.111-14/2001-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 25.7.2008

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Amendment in Rule 7 of Post Office RD Rules 1981 regarding number of defaults permissible in RD accounts opened or to be opened by personnel of Defence Services.

Sir / Madam,

The undersigned is directed to enclose copy of Gazette Notification GSR No. 480(E) dated 26.6.2008 received from Min.of Finance vide its letter no. 2/15/2006-NS-II dated 8.7.2008 on the subject.

2. The matter regarding enhancement of number of permissible defaults in RD accounts opened by personnel of Defence Services was taken up by APS Directorate and the same was referred to Min. of Finance. Now Rule 7 of PORD Rules 1981 has been amended and a special provision has been incorporated to accommodate 7 defaults instead of 4 for the RD accounts opened or to be opened by Defence Personnel in Field Post Offices. This amendment will not be applicable to Civilian Defence Employees and other depositors who have already opened accounts or will open RD accounts in future in civil post offices.

3. It is therefore requested that this may be brought to the notice of all post offices for information and necessary guidance.

4. This issues with the approval of DDG (FS).

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

DA-One
Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle with the request to modify APS module of Sanchay Post accordingly.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 10.All recognized Staff Unions and Associations.
- 11.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12.PS to Member (I&FS)
- 13.PPS to Secretary (P).

No.113-23/2005-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 20.8.2008

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Credit of maturity value of matured savings instruments including certificates into post office savings account regarding.

Sir / Madam,

The undersigned is directed to say that as per provisions of Section 269-T of Income Tax Act, amount of any repayment of deposit or loan together with interest made with Department of Posts(i.e in any post office small savings scheme) if becomes Rs. 20,000/- or more, it can only be made by account payee cheque or account payee bank draft or by crediting into Savings Bank Account if standing at the same post office.

2. At present, the facility of crediting maturity value of any matured small savings instrument into savings account is available but subject to the balance in savings account may not exceed the prescribed limit. This office was receiving many representations from the depositors as well as references from the field units for allowing credit of maturity value of savings instruments into post office savings account irrespective of the limit prescribed for single as well as joint account so that depositors who don't have access to banks may not face difficulty in crediting the maturity value or cheques issued by Postmasters in lieu of maturity value.

3. Keeping in view the difficulties being faced by depositors particularly in rural areas, it has been decided that maturity value of any savings instrument including savings certificates may be credited into his/her existing or in the new savings account to be opened (by completing all prescribed formalities including introduction) in the same post **office provided that the depositor withdraws the amount in excess of the prescribed limit on the very same day and balance in the account remains within the prescribed limit.** Before crediting the maturity value into savings account, availability of cash for making payment to the depositor from savings account may be ensured and payment should be made only to the depositor himself not to the messenger in such cases. **In any case, balance in the savings account should not be more than Rs.1 Lakh in single and Rs.2 lakh in joint account on any date.**

4. It is therefore requested that this may be brought to the notice of all post offices for information and necessary guidance.

5. This issues with the approval of DDG (FS).

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle with the request to modify Sanchay Post Software accordingly.
2. Director of Audit (P&T), Delhi.

3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)
13. PPS to Secretary (P).

**PROCEDURE FOR OPENING AND OPERATING OF ACCOUNT BY
BLIND/VISUALLY IMPAIRED/VISUALLY IMPAIRED PERSONS
INDEPENDENTLY**

1. Now as per amended rules, a blind/visually-impaired person can open and operate Savings, RD, MIS, TD, SCSS, PPF accounts and also purchase NSC VIIIth Issue or KVPs in his/her name independently.
2. Procedure for opening and operating of account.
 - (i) The blind/visually-impaired person will not attend the counter for opening as well as operating the account. He will directly approach the Postmaster/Sub Postmaster/Branch Postmaster who will help him in filling forms and personally took cash for deposit. Introduction as prescribed in the rules will be taken as usual.
 - (ii) If an blind/visually impaired literate person attends the post office for opening of account and he/she is in a position to sign uniformly, he may put his/her signature on the account opening form (SB-3), Specimen Signature Book and Pay-in-slip in the presence of Postmaster/Sub Postmaster/Branch Postmaster who will attest the signatures.
 - (iii) If an illiterate blind/visually impaired person attends the post office for opening of account, his/her thumb impression should be obtained on all relevant forms in a usual manner as in the case of an illiterate person.
 - (iv) A cheque-book may also be issued to literate blind/visually impaired person.
 - (v) Other usual formalities as prescribed in POSB Manual Vol-I may also be adopted while opening of account by a blind/visually impaired person.
 - (vi) Whenever, a blind/visually impaired illiterate person attends the post office for withdrawal, procedure followed in case of withdrawal by an illiterate depositor as mentioned in Rule 33 of POSB Manual Vol-I should be followed.
 - (vii) A blind/visually-impaired person can also open a joint account with a second blind/visually impaired or non-blind/visually impaired person as per normal procedure.
 - (viii) For all cash withdrawals, the blind/visually-impaired person should be advised to come in person only. Cash payments to a blind/visually impaired either literate or illiterate should always be made in the presence of a respectable witness who is personally acquainted with the depositor and known to post office who will attest signatures/thumb impression of the depositor on the

application side and certify on the warrant of payment the amount actually paid to the blind/visually-impaired depositor.

- (ix) Only in exceptional cases the Postmaster may allow payment through messenger. In such cases, the Postmaster will satisfy himself that the reasons given by messenger regarding inability of the depositor to attend the post office are genuine and signature or TI of messenger should be got attested by a witness known to the post office. The attestation should be in the following terms:-
“ The payee is known to me and his signature/thumb impression has been affixed in my presence”
- (x) A rubber stamp indicating, “account holder is blind/visually impaired” should be affixed on all the relevant forms i.e SB-3, specimen signature book, pay-in-slip withdrawal form, account closure form and cheque book etc.
- (xi) In case of transfer of account, the normal procedure prescribed for an illiterate person may be followed.

No.113-23/2005-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 21.8.2008

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Opening and operating of account by blind/visually impaired persons independently- an amendment to Post Office Savings Account Rules 1981/ Post Office Time Deposit Rules 1981 and procedure regarding.

Sir / Madam,

The undersigned is directed to say that in the existing Rule 4 of Post Office Savings Account Rules 1981 and Post Office Time Deposit Rules 1981, a blind person may open and operate account through literate agent nominated by him for the purpose. In the rules for other type of accounts, there is neither a provision nor a bar on opening and operating of account by blind/visually-impaired persons independently.

2. Ministry Of Finance, Department of Economic Affairs has decided to extend facility of opening/operating any type of account to blind/visually-impaired persons. **For this, Rule 4 of Post Office Savings Account Rules 1981 has been amended by Min. of Finance vide GSR No. 478(E) dated 26.6.2008 (copy enclosed) and Rule 4 of Post Office TD Rules 1981 vide GSR No.479(E) dated 26.6.2008 (copy enclosed).** For other type of accounts, as there is no bar on opening/operating of account by a blind/visually impaired person independently in the rules, Department of Posts has been asked to frame procedure/instructions for opening and operation of accounts by blind/visually impaired persons independently.

3. **Guidelines for opening and operating of accounts by blind/visually-impaired persons independently are enclosed for information, guidance and further necessary action. It may be ensured that no blind/visually impaired person may be denied the right of opening/operating any type of account under any Small Savings.**

4. It is therefore requested that this may be brought to the notice of all post offices for information and necessary guidance.

5. This issues with the approval of DDG (FS).

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

DA-Three

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA

7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 10.All recognized Staff Unions and Associations.
- 11.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12.PS to Member (I&FS)
- 13.PPS to Secretary (P).

No.114-1/2002-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 21.8.2008

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Revision of Account Opening form SB-3- amendment to the Post Office Savings Bank General Rules 1981 in format of FORM-1 regarding.

Sir / Madam,

The undersigned is directed to say that revision of account opening form i.e SB-3 was under consideration in the Ministry of Finance. Now, the same has been revised and Min. of Finance Gazette Notification No. GSR 504(E) dated 7.8.2007 is enclosed.

2. In the new format many new columns have been added and provision for affixing photograph has also been made. Though providing photograph of the depositor has still not been made mandatory but so far as possible, depositors may be advised to provide photograph while opening new accounts, which may help in identification of the depositor.

3. It is therefore requested that this may be brought to the notice of all post offices for information and necessary guidance.

4. This issues with the approval of DDG (FS).

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

DA-Notofication.

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle for revision of account opening format in Sanchay Post Software accordingly.
2. DDG(MM) for arranging printing and supply of new form in English as well as in Hindi in the post offices.
3. Director of Audit (P&T), Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, Postal Staff College, Ghaziabad.
6. All Directors, Postal Training Centers.
7. DDG (FS)/ DDG(VIG)/JS&FA
8. ADG(BS)/ ADG(CB)/ADG(SBC)
9. AD Inspection/Vigilance/Postal Accounts Section
- 10.All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 11.All recognized Staff Unions and Associations.
- 12.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 13.PS to Member (I&FS)
- 14.PPS to Secretary (P).

No.25-10/2005-FS(Vol-III)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 27.8.2008

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Introduction of new type of savings account i.e Workers Wage Account under NREG Act by amending Post Office Savings Account Rules 1981- regarding.

Sir / Madam,

The undersigned is directed to enclose copy of Notification received from Ministry of Finance vide its letter no. F.2/6/2006-NS-II dated 26.8.2008 vide which a new type of savings account i.e Workers Wage Account under NREG Act has been introduced. Printed Gazette Notification will follow. Main features of this type of savings account are mentioned in the notification itself. The procedure to be followed for opening and operating this type of account(s) is given below:-

- (i) No amount is required to be taken from depositor for opening of such accounts.
- (ii) No minimum balance needs to be maintained in such accounts.
- (iii) No deposit other than NREGA wage can be made in these accounts.
- (iv) These accounts will be non-transferable and also cannot be converted into single or joint at a latter stage.
- (v) No cheque book will be issued to such account holders.
- (vi) A separate block of account numbers will be allotted to this category of account.
- (vii) A single account may be opened by any of the registered adult members of a household whose names are mentioned in the job card. For example, if in a job card, there are four adult registered members, all four can open individual single accounts by giving the same job card number.
- (viii) A joint account can be opened in the name of husband and wife provided that names of both are registered in the job card. The joint account will be of Joint'A' category only.
- (ix) Registration of nomination if applied may be made as usual.
- (x) The depositor who desired to open account under this category has to mention job card no., date of issue of job card and date of expiry of job card in the SB-3 in manuscript. No account will be opened without providing this information.
- (xi) The Branch/Sub/Head Postmaster will verify particulars of job card mentioned in SB-3 from the job card shown at the time of opening of account and certify on SB-3 that job card particulars have been verified from original under his/her dated signatures.
- (xii) All other formalities applicable to normal savings account i.e Specimen Signatures, issue of PR in EDBO, issue of passbook etc. will be followed.
- (xiii) These accounts will not be treated as Silent and as and when an intimation with regard to deletion of name of depositor from job card is received, the depositor may be given option to close the account and if the account is not closed within 30 days of the receipt of intimation of deletion of name from job list/card, the account will be closed by the Postmaster himself by filing a

withdrawal form of the amount available in the account along with interest if any and the amount will be remitted to the depositor by money order after deducting the usual MO commission. In case of death of the depositor, normal procedure for settlement of claim by the legal heirs will be followed.

- (xiv) Interest will be credited in such accounts by following the normal procedure laid down for savings accounts.
- (xv) Withdrawal from such accounts will be allowed only on production of withdrawal form (SB-7) and Wage Slip issued by the competent authority. Wage slip should be attached with SB-7 and treated as part of voucher.
- (xvi) So far as possible, payment may be made to the depositor himself but in emergent cases, payment may be made to the representative of the depositor for which a written authority letter from the depositor in manuscript along with wage slip is required to be produced by the representative.
- (xvii) Identification of the depositor may be taken from the Job Card as well as Wage Slip in case of illiterate depositor or in case of difference in signatures.

2. It is therefore requested that this may be brought to the notice of all post offices for information and necessary guidance.

3. This issues with the approval of Member (D).

Yours faithfully,

(Raj Kumar)
ADG(Banking Services)

DA-Notofication.

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle for effecting changes in Sanchay Post Software accordingly.
2. DDG(MM) for arranging printing and supply of new form in English as well as in Hindi in the post offices.
3. Director of Audit (P&T), Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, Postal Staff College, Ghaziabad.
6. All Directors, Postal Training Centers.
7. DDG (FS)/ DDG(VIG)/JS&FA
8. ADG(BS)/AO(FS)
9. AD Inspection/Vigilance/Postal Accounts Section
10. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
11. All recognized Staff Unions and Associations.
12. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
13. PS to Member (D)
14. PPS to Secretary (P).

No.25-10/2005-FS(Vol-III)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 10.9.2008

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.8

Subject:- Introduction of new type of savings account i.e Workers Wage Account under NREG Act by amending Post Office Savings Account Rules 1981- regarding.

Sir / Madam,

This is in continuation of this office letter of even number dated 27.8.2008 on the subject. The undersigned is directed to enclose copy of Gazette Notification No. GSR 611(E) dated 26.8.2008 for further necessary action.

2. It is further clarified that since withdrawal from such accounts is allowed only on production of Wage Slip, the full amount entered in wage slip has to be withdrawn by the beneficiary at the time of withdrawal and no part withdrawal is allowed.
3. It is requested that this notification may be brought to the notice of all post offices immediately for information, guidance and necessary action.
4. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
- 10.All recognized Staff Unions and Associations.
- 11.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12.PS to Member (D)

No.114-1/2002-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 16.9.2008

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.8

Subject:- Registration of Nomination under Post Office (Monthly Income Account) Rules 1987.

Sir / Madam,

This undersigned is directed to say that Min. of Finance (DEA) vide its letter no. F.1/2/2008-NS-II dated 21.8.2008 has informed that it has received an application in RTI Act in which the applicant has informed that Postal Staff at Vellore HPO in Tamil Nadu Circle has informed him that no nomination form was prescribed under Post Office (MIA) Rules 1987 due to which he could not register the nomination.

2. The Ministry has clarified that as per Rule 3 of POMIA Rules 1987, the provisions of Post Office General Rules, 1981 and Post Office Savings Account Rules 1981, so far as may be, applied to matters for which no provision has been made in these rules. As such, in accordance with Rule 7 of PO(MIA) Rules, 1987, read with the Rule 12 of POSB General Rules, 1981, nominations can be made at the time of opening of account or subsequently before closure of account, in prescribed Form 1 and Form 2.

3. The Ministry has asked the Department to issue a suitable clarification to all Postal Circles so that investors are not put to undue hardships.

4. It is requested that although the existing rule position is very clear and post office staff doing POSB work is supposed to know the existing provisions, this may be brought to the notice of all post offices immediately to avoid any such case in future.

5. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
- 10.All recognized Staff Unions and Associations.
- 11.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12.PS to Member (D)

SB ORDER NO. 21/2008

No.113-10/2002-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 18.9.2008

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

**Subject:- Amendment to the Rule 12 of Post Office Savings Bank
General Rules, 1981 regarding registration of nomination.**

Sir / Madam,

The undersigned is directed to say that consequent upon decentralization of MIS, RD and SCSS schemes from HPOs to Sub Post Offices, a proposal for amendment to Rule 12 of POSB General Rules 1981 was sent to Min. of Finance in 2003 to enable Sub Post Offices to register nomination in case of accounts opened under these schemes.

2. Min. of Finance has now amended the Rule 12 of POSB General Rules vide Gazette Notification No. 630(E) dated 2.9.2008 (copy enclosed) which enables registration of nomination by the post offices authorized by Director General Posts. It is pertinent to note that so far as, Sub Post Offices are authorized to register nomination in case of accounts opened under RD, MIS and SCSS accounts only. In case of other schemes, HPOs will continue to register nomination till further orders.

3. This may kindly brought to the notice of all post offices.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA
7. ADG(BS)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 10 All recognized Staff Unions and Associations.
- 11 Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12 PS to Member (I&FS)

No.113-3/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: .9.2008

CORRIGENDUM

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Reinvestment of matured certificates / deposits through authorized Post Office agents- a clarification regarding.

Sir / Madam,

The undersigned is directed to say that Para 2 (ii) of the SB Order No.10/2008 issued on 21.4.2008 has been modified and may now be read as under:-

Para 2 (ii) Since handling of cash is not involved in such cases, the agent will issue a receipt of the documents from the cheque receipt book with suitable remarks and hand it over to the investor as per normal procedure. Particulars of the matured deposit / certificates which is / are to be reinvested will be written in place of cheque number on the receipt. Postmaster will write the amount reinvested and the balance amount returned to the agent on account closure form or on the back of matured certificate under his dated signature. For making reinvestment in accounts/certificates, amount as per required denomination under the rules gets reinvested and **the residual amount gets paid to the investor either by credit to his/her savings account standing at the same post office or by crossed cheque only. The amount may be credited into savings account subject to the condition that prescribed limit of single as well as joint savings account may not exceed.** In case of issue of Cheque, the same should be handed over to the agent under receipt on the account closure form or on the back of matured certificate. No extra amount can be added to the maturity value to be reinvested.

3. This may kindly brought to the notice of all post offices.
4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

10. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle. It is requested that Sanchay Post software may be got amended accordingly if required.
11. Director of Audit (P&T), Delhi.
12. All Directors/Dy. Directors of Accounts, Postal
13. Director, Postal Staff College, Ghaziabad.
14. All Directors, Postal Training Centers.
15. DDG (FS)/ DDG(VIG)/JS&FA
16. ADG(BS)/ ADG(CB)/ADG(SBC)
17. AD Inspection/Vigilance/Postal Accounts Section
18. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 10 All recognized Staff Unions and Associations.

SB ORDER NO. 22/2008

No.116-40/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 24.10.2008

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Sanction of deceased claim cases where there is no nomination and the amount due not exceed Rs. 1 Lakh- a clarification regarding.

Sir / Madam,

The undersigned is directed to say that Punjab Circle has sought a clarification about the determination of the amount due on the account as specified under Rule 13 (4) (a) of POSB General Rules for sanctioning in such deceased claim cases.

2. It is clarified that in cases where there is no nomination and the claimant has not produced probate of will or letter of administration of estates or succession certificate within three months of the death of the depositor, the amount due in the account may be determined as under:-

“ The amount at credit at the time of death of the depositor plus the interest accrued thereon up to the end of the financial year preceding the year in which the death occurred”.

3. This may kindly be brought to the notice of all post offices so as to avoid any hardship to the claimants in such cases.

4. This is issued with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA
7. ADG(BS)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.
12. PS to Member (I&FS)

SB ORDER NO. 23/2008

No.111-15/2004-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 2.12.2008

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Updation of ledgers/data entry of all savings schemes in HPOs and SOs.

Sir / Madam,

The undersigned is directed to say that it has come to the notice of this office that posting in ledgers/data entry of daily transactions in all schemes especially in RD is in huge arrears in HPOs as well as Sub Post Offices.

2. It is requested that immediate steps are required to be taken to update the posting/data entry of all schemes in HPOs as well as Sub Post Offices. While updating the ledgers/data entry, it may be ensured that data entered is authentic and tallied with respective List Of Transactions/Vouchers.

3. This may kindly brought to the notice of all post offices for guidance and further necessary action.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Manisha Sinha)
Director (FS)

No.116-31/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 13.01.2009

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Payment of collection charges on outstation cheques issued by Central/State Govt. Departments in the name of Postmasters.

Sir / Madam,

The undersigned is directed to say that references were received from field units regarding payment of collection charges on the outstation cheques issued by Central/State Govt. Departments in the name of Postmasters for deposit into their account on account of schemes like NREGA, National Old Age Pension or any other Govt. sponsored scheme. Matter was referred to Reserve Bank of India for exemption of collection charges on such outstation cheques.

2. It is informed that RBI has clarified vide its letter no. DGBA.GAD No. 3285/31.30.020/2008-09 dated 7.10.2008 that as per its Circular No. 39 (GA.NB.No. 333/43.50.002/96-97) dated 9.5.1997, the charges, if any, incurred with collection of outstation cheques tendered by the Govt. Departments are required to be borne by the bank accredited to undertake Government business of that Department. Therefore, such outstation cheques are required to be routed through accredited bank of the concerned post office where these are tendered so as to get exemption from payment of collection charges thereon. Copy of RBI letter dated 7.10.2008 and Circular No. 39 dated 9.5.1997 is enclosed for ready reference.

3. This may kindly brought to the notice of all post offices for immediately for information, guidance and necessary action.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(V.K.Gupta)
ADG(Financial Services)
Tel:- 011-23036336

Encl:- as above

Copy to:-

1. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centers.
6. DDG (FS)/ DDG(VIG)/JS&FA
7. ADG(BS)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
10. All recognized Staff Unions and Associations.
11. Min. of Finance (DEA) NS-II section, North Block, New Delhi.

12.PS to Member (D)

No.116-47/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 13.02.2009

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Calculation of Post Maturity Interest- a clarification regarding.

Sir / Madam,

The undersigned is directed to say that it has come to the notice of this office that Post Maturity Interest is being calculated at the current interest rate of POSB i.e 3.5% in all type of cases where the depositors have not taken payment on the date of maturity. One such case was referred to Min. of Finance and it is clarified by the MOF that Post Maturity Interest is payable on the amount due for the period of two years from the date of maturity at POSB rate applicable during the Post Maturity period of 2 Years and not the rate applicable at the time of payment.

2. Therefore It is clarified that **PMI should be calculated at the POSB rate of interest applicable on the date of maturity upto the period of maximum two years.** Copy of POSB rates of interest applicable from 1.4.1979 to till date is enclosed. In computerized offices, option for putting rate of interest is available in initialization. Kindly ensure that these rates of interest are put in that option so that software may calculate correct rate of PMI. This clarification is applicable to all Small Savings Schemes where provision of PMI at the rate of POSB interest is prescribed.

3. This may kindly brought to the notice of all post offices for immediately for information, guidance and necessary action.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)
Tel:- 011-23036378

Encl:- as above

Copy to:-

1. DDG (FS)/ DDG(VIG)/JS&FA
2. Director (CBS) Dak Bhawan, New Delhi.
3. Director of Audit (P&T), Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, Postal Staff College India, Ghaziabad.
6. All Directors, Postal Training Centers.
7. A.D.(Tech) O/o CPMG T.N.Circle, Chennai (SDC Chennai)
8. ADG(BS)
9. AD Inspection/Vigilance/Postal Accounts Section
10. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
11. All recognized Staff Unions and Associations.
12. Min. of Finance (DEA) NS-II section, North Block, New Delhi.

No.76-1/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 24.2.2009

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Release of version 6.5 of Sanchay Post Software.

Sir / Madam,

The undersigned is directed to say that after Sanchay Post Software Version 6.0, the New Version 6.5 has now been released by SDC Chennai vide Director Foreign Post & Marketing T.N.Circle Chennai D.O. letter No. Tech/2-18/08-09 dated 06.02.2009. This is an upgraded version of Version 6.0 which include all patch files released in between this period and NREGS data entry module. It is requested that in those post offices where Sanchay Post Version 5.0 CD or 6.0 CD has been installed, there is no need to purchase fresh CD of Version 6.5 and the system may be upgraded by using copy of CD of 6.5 version supplied to the circles/regions. In case of only new locations where Sanchay Post Software is to be installed now, CD of Version 6.5 may be purchased from M/S Datanet Syatems Ltd, Bangalore.

2. For other detailed instructions for upgradation of the software, kindly visit web site www.tamilnadupost.nic.in/sdc/sblan/htm. It is also requested that before upgradation, D B Analyzar Software must be used for analyzing the database discrepancies in the present version and these discrepancies have to be cleared so that the same problems do not occur in the new version also.

3. S.D.C Chennai is functioning as a Help Desk providing support through phone calls and e-mails to all the circles. Kindly contact SDC Chennai through circle/regional coordinator in case of any problem.

4. This may kindly be ensured that all post offices working on Sanchay Post are working on Version 6.5.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

1. DDG (FS)/ DDG(VIG)/JS&FA
2. Director (CBS) Dak Bhawan, New Delhi.
3. Director of Audit (P&T), Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, Postal Staff College India, Ghaziabad.
6. All Directors, Postal Training Centers.
7. A.D.(Tech) O/o CPMG T.N.Circle, Chennai (SDC Chennai)
8. ADG(BS)
9. AD Inspection/Vigilance/Postal Accounts Section
10. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
11. All recognized Staff Unions and Associations.

12.Min. of Finance (DEA) NS-II section, North Block, New Delhi.

No.76-1/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 2.3.2009

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Handling of court cases relating to Savings Bank/Certificates at various levels.

Sir / Madam,

The undersigned is directed to say that from some time past, it is observed that different procedure is being adopted at various levels in handling court/consumer forum cases relating to Savings Bank/Certificates thereby resulting in abnormal delay in filing appeals, defending court cases, implementation of decisions of courts and facing execution/contempt cases.

2. To have a common procedure for handling such cases, this office has prepared a procedure from Post Office Level to Directorate Level for smooth handling of such cases by the various officials. Copy of this procedure is enclosed.

3. This may kindly be ensured that all concerned offices while handling Court/Consumer Forum cases adopt this procedure.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

1. DDG (FS)/ DDG(VIG)/JS&FA
2. Director (CBS) Dak Bhawan, New Delhi.
3. Director of Audit (P&T), Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, Postal Staff College India, Ghaziabad.
6. All Directors, Postal Training Centers.
7. A.D.(Tech) O/o CPMG T.N.Circle, Chennai (SDC Chennai)
8. ADG(BS) /ADG(FS)
9. AD Inspection/Vigilance/Postal Accounts Section
10. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
11. All recognized Staff Unions and Associations.

No.113-01/2009-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 4.3.2009

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Change in mode of dispatch of Advice of Transfer (AT) in case of transfer of accounts.

Sir / Madam,

The undersigned is directed to say that from some time past, fraud cases relating to opening of accounts by use of bogus Advice of Transfers (AT) and then misappropriation of money are being reported. To control such type of frauds, **it has been decided that from 16.3.2009, the transferring Head Post offices will dispatch Advice of Transfer (AT) by Service Insured Post for Rs.100/- duly sealed instead of Service Registered Post.** The AT received by other than Insured Post after this date, should be returned to the Transferring HPO by Transfree HPO for sending the same by Insured Post and account should not be opened.

2. This may kindly be brought to the notice of all post offices and strict compliance of the aforesaid order may be ensured.
3. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

1. DDG (FS)/ DDG(VIG)/JS&FA
2. Director (CBS) Dak Bhawan, New Delhi.
3. Director of Audit (P&T), Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, Postal Staff College India, Ghaziabad.
6. All Directors, Postal Training Centers.
7. A.D.(Tech) O/o CPMG T.N.Circle, Chennai (SDC Chennai)
8. ADG(BS) /ADG(FS)
9. AD Inspection/Vigilance/Postal Accounts Section
10. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
11. All recognized Staff Unions and Associations.

No.109-02/2009-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 6.3.2009

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Putting up Signboards for awareness of public about possible frauds in POSB/SC.

Sir / Madam,

The undersigned is directed to say that while examining some Circle Level Inquiry Reports in major fraud cases where authorized agents found involved in misappropriation of public money, it is observed that general public is not so cautious towards their savings instruments and have blind faith in authorized agents resulting in losing their hard earned money.

2. It has been decided that all post offices should have a signboard (in English/Hindi and Local Language) at the counter area with following information:-

- (i) Please keep your passbook and savings certificates in your personal custody.
- (ii) Do not hand over blank withdrawal/account closure forms with your signatures to any one including authorized agents.
- (iii) Do not appoint authorized agents as your messenger for withdrawal of money on your behalf.
- (iv) Check your balance after each transaction from the post office.
- (v) Contact Postmaster immediately in case of any suspected fraud.

3 It is requested that this may kindly be brought to the notice of all post offices and ensure strict compliance of the aforesaid order.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

1. DDG (FS)/ DDG(VIG)/JS&FA
2. Director (CBS) Dak Bhawan, New Delhi.
3. Director of Audit (P&T), Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, Postal Staff College India, Ghaziabad.
6. All Directors, Postal Training Centers.
7. A.D.(Tech) O/o CPMG T.N.Circle, Chennai (SDC Chennai)
8. ADG(BS) /ADG(FS)
9. AD Inspection/Vigilance/Postal Accounts Section
- 10.All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 11.All recognized Staff Unions and Associations.

No.116-27/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 18.3.2009

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Payment of dues in case of "Joint-B" type investments in Small Savings Schemes- a clarification regarding.

Sir / Madam,

The undersigned is directed to say that cases of disputes among Joint-B type investments are being referred to this office by some field units for issue of clarifications as how to handle payments in case of receipt of written requests or legal notices to stop payment to the joint holders.

2. The matter was referred to Ministry of Finance which clarified that Rules relating to various Small Savings Schemes are very clear in case of Joint-B type investments and principle of "either or survivor" should be followed in such investments.

3 It is therefore clarified that in case of Joint-B type investments, no dispute over payment should be entertained and payment should be made in normal course to the "either or survivor" whichever present the savings instrument i.e passbook or certificate.

4. It is requested that this may kindly be brought to the notice of all post offices. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(Savings Bank/Certificates)

Copy to:-

1. DDG (FS)/ DDG(VIG)/JS&FA
2. Director (CBS) Dak Bhawan, New Delhi.
3. Director of Audit (P&T), Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, Postal Staff College India, Ghaziabad.
6. All Directors, Postal Training Centers.
7. A.D.(Tech) O/o CPMG T.N.Circle, Chennai (SDC Chennai)
8. ADG(BS) /ADG(FS)
9. AD Inspection/Vigilance/Postal Accounts Section
- 10.All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 11.All recognized Staff Unions and Associations.

SB ORDER NO. 7/2009

No.25-10/2005-FS (Vol-III)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 27th July, 2009

To,

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.8

**Subject:- Clarification regarding allowing part withdrawal from
Workers Wage Account under NREG Act.**

Sir / Madam,

This is with reference to this office letter of even number dated 10.9.2008 (SB Order No.19A/2008) vide which copy of Gazette Notification No. GSR 611(E) dated 26.8.2008 was circulated regarding introduction of Workers Wage Account under NREG Act.

2. Para 2 of the ibid order is modified as under:-

“The part withdrawal is allowed in Workers Wage Accounts opened under NREG Act.”

3. It is requested that this may be brought to the notice of all post offices immediately for information, guidance and necessary action.

4. This issues with the approval of Member (Technology)

Yours faithfully,

(Raj Kumar)
ADG (Banking Services)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(Pension)/ADG(CB)/ADG(SBC)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
- 10.All recognized Staff Unions and Associations.
- 11.Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12.PS to Member (T)

SB ORDER NO. 8/2009

No.41-1/98-SB (Pt.)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 30th July, 2009

To,

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.8

Subject:- Delay in issue of MICR Cheque Books to the POSB Account holders.

Sir / Madam,

This is regarding delay in issue of POSB MICR Cheque Books in some post offices.

2. Kindly refer to this office letter of even number dated 11.9.2001 (SB Order No. 13/2001) vide which the decision of this office was conveyed that only MICR Cheque Books of standard specification will be used in all post offices. The procedure for getting 9 digit code was also circulated vide this office letter of even number dated 17.2.2003 (SB Order No. 4/2003).

2. Further, vide this office letter of even number dated 4.8.2003, it was informed that indent for MICR Cheque Books be placed to Dy. Controller of Stamps, CSD Nasik Road before 31 December for the next year.

3. Despite these instructions, this office is still receiving complaints regarding shortage of POSB MICR Cheque Books.

4. It is requested that all Head Post Offices may be directed to send annual indent for HO and its SOs for the next year to concerned PSD well before 31st August and all PSDs may be directed to send consolidated annual indent to CSD Nasik Road by 30th November for the requirement of next year.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Raj Kumar)
ADG (Banking Services)

Copy to:-

1. Dy. Controller of Stamps, CSD Nasik Road-422101 for information ensures timely supplu of sufficient MICR Cheque Books to PSDs.
2. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle.
3. Director of Audit (P&T), Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, Postal Staff College, Ghaziabad.
6. All Directors, Postal Training Centres.
7. DDG(VIG)/DDG(Estt.)
8. ADG(BS)/ADG(FS)
9. AD /Inspection/PF/Vigilance/Postal Accounts Section

10.All Accounts Officers ICO(SB)
11.PS to Member (T)

No.107-2/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 14.9.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

**Subject:- Deduction of Tax and surcharge on commission paid to
SAS/MPKBY/PPF Agents- a clarification regarding**

Sir / Madam,

The undersigned is directed to refer to this office letter of even number dated 25.5.2007(SB Order No.3/2007) vide which the rate of TDS to be deducted from the agent's commission was conveyed.

2. Now this office is receiving many references where Income Tax Authorities have issued certificates under Section 197 of Income Tax Act 1961 for deduction of TDS at lower rates.

3. It is further clarified that under Section 197 of IT Act 1961, Income Tax Authority can issue certificate for deduction of TDS at lower than prescribed rate and whenever such certificate is presented by any agent, that should be accepted and TDS should be deducted at the rate mentioned in the certificate. The certificate should be collected from the agent and attached with the schedule.

4. It is requested that this may be brought to the notice of all post offices immediately for information, guidance and necessary action.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai)
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized unions.
11. PS to Member (T)

No.79-01/2009-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 11.9.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Extension of SCSS-2004 accounts for 3 Years after maturity.

Sir / Madam,

The undersigned is directed to say that this office has received some complaints regarding refusal by the postal staff for extending SCSS-2004 accounts after maturity for further period of 3 Years.

2. It is reiterated that as per Rule 4(3) of SCSS Rules 2004 the depositor may extend the account for a further period of 3 Years by making application in FORM-B to the deposit office within a period of one year after the maturity period of five years and the extension of account shall be deemed to have been made from the date of maturity irrespective of the date of application.

3. Since the accounts opened under SCSS-2004 have already started maturing on or after 2.8.2009, a vide publicity may kindly be made for this provision for the knowledge of operative staff as well as encouraging the depositors to extend their accounts.

4. It is requested that this may be brought to the notice of all post offices immediately for information, guidance and necessary action.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai)
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized unions.
11. PS to Member (T)

No.111-02/2009-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 7.10.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Admissibility of interest in RD accounts partly extended with monthly deposits and without deposits- a clarification regarding.

Sir / Madam,

The undersigned is directed to say that this office has received some complaints /references regarding calculation of interest in RD accounts where the depositor extended the accounts for some period with monthly deposits under Rule 10(2)(a) of PORD Rules 1981 and then stopped monthly deposits but retained the maturity value for further period without any monthly deposits.

2. The matter was referred to Min. of Finance for clarification and MOF has clarified vide its letter No. 2/7/2009-NS-II dated 24.9.2009 that in such cases the maturity value is to be first calculated as per tables given under Rule 10(2)(a) of PORD Rules 1981 and then the amount payable is to be calculated as per tables given under Rule 11 of PORD Rules 1981 for the period the maturity value retained without further deposits.

3. To clear the matter further an illustration of this kind is given below:-

RD Account with denomination of Rs.10/-

Date of Opening 1.3.2002

Maturity Value after 5 Years = Rs. 748.49

Account extended under Rule 10(2)(a) and monthly deposits made up to 12 months after maturity.

Maturity Value as per table 38 will be = Rs. 939.80

Depositor applied for closure on 1.3.2009 i.e retained the maturity value for further one year without deposits

The amount payable will be as per table 39 = Rs. 939.80* 814.15/748.49 i.e Rs. 1022.24 (Rs.1022/-)

(in case the period will be less than a year, interest applicable to savings accounts will be admissible for complete months)

4. It is requested that this may be brought to the notice of all post offices immediately for information, guidance and necessary action.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai) for necessary changes in the Sanchay Post if required.
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
- 10.All recognized unions.
- 11.PS to Member (T)

No.61-05/2009-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 9 .10.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Entering daily Certificate discharge data of SOs in the CC Bridge/Sanchay Post Software in HOs.

Sir / Madam,

The undersigned is directed to say it has come to the notice of this office that Certificates discharge data received from SOs in HPOs is not being entered in the CC Bridge/Sanchay Post Software on daily basis.

2. This delay in entering daily data is not only causing delay in submission of monthly returns to PAOs but also affecting the checking of discharge vouchers with the respective negative list resulting in delay in detecting frauds on account of fraudulent discharge of lost/stolen certificates..

3. It is therefore emphasized that data of certificates discharged at SOs received in HO should be entered in the CC Bridge/Sanchay Post Software on daily basis so that such frauds can be detected at an early stage.

4. This may be brought to the notice of all post offices immediately for information, guidance and necessary action.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai)
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
- 10.All recognized unions.
- 11.PS to Member (T)

No.113-09/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: .11.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Revision of existing limit of deposit and withdrawals under Instant Counter Service.

Sir / Madam,

The undersigned is directed to say that as per Rule 35 of Post Office Savings Bank Manual Vol-I, at present the Counter Assistant is authorized to receive deposits and allow withdrawals up to Rs.2000/- in **savings accounts only** under his own power without showing the documents to the Ledger Assistant and the Supervisor.

2. The above limit of Rs.2000/- was fixed vide this office letter No. 113-3/2002-SB dated 22.5.2002 (SB Order No. 8/2002). With a view to avoiding delay and providing prompt service to the customers, the question of raising this limit has been under consideration in this Directorate.

3. It has now been decided to raise the existing limit Rs.2000/- to Rs.5000/- in the post offices where Instant Counter Service is applicable. The revised limit would be effective from 1.12.2009.

4. This may be brought to the notice of all post offices immediately for information, guidance and necessary action. In computerized post offices working on SB-LAN, necessary modification may be done by the System Administrator in the scheme of **Savings Account only** and it may be ensured that all vouchers above this limit must be sent to Supervisor by the Counter Assistant through the System Software.

5. This issues with the approval of Secretary Posts.

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
- 10.All Accounts Officers ICO(SB)
- 11.All recognized unions.
- 12.PS to Member (T)

No.113-09/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: .11.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

**Subject:- Delegation of power to sanction deceased claim cases by
Sub Postmasters in RD/MIS and SCSS accounts.**

Sir / Madam,

The undersigned is directed to say that as per Note-2 below Rule 87 of Post Office Savings Bank Manual Vol-I, "Time Scale Sub Postmasters and Sub Postmasters in LSG/HSG can sanction claims where there is nomination or where legal evidence upto the limits mentioned in clause (ii) of sub rule (4). Other cases should be referred by them to the Head Postmaster concerned who will have the powers to sanction the claims irrespective of the amount where there is nomination or legal evidence."

2. In view of delegation of powers of registration of nomination in case of RD/MIS and SCSS schemes accounts to Departmental Sub Post Offices, the question of delegation of power to sanction deceased claim cases of accounts of these schemes where nomination is registered at Sub Post Office has been under consideration in this Directorate.

3. It has now been decided to delegate the power of sanction of deceased claim cases of RD/MIS and SCSS accounts where nomination is registered in the Sub Post Office to all SPMs except Single and Double handed offices irrespective of the amount at credit in the accounts. This order would be effective from 1.12.2009.

4. This may be brought to the notice of all post offices immediately for information, guidance and necessary action. All inspecting officers may also be directed to carry out a random check during inspection/visits of all such cases sanctioned by the SPMs and ensure that this power is not used by Single/Double handed Sub Post Offices.

5. This issues with the approval of Secretary Posts.

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.

8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
- 10.All Accounts Officers ICO(SB)
- 11.All recognized unions.
- 12.PS to Member (T)

SB ORDER NO. 15 /2009

No.107-02/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 8.12.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Issue of TDS Certificate.

Sir / Madam,

The undersigned is directed to refer to this office letter of even number dated 27.6.2007 (SB Order No.10/2007) vide which the prescribed period for issue of TDS Certificate was intimated.

4. This office has again received complaints about non-issue of TDS Certificate by post offices. It is reiterated that the authority deducting TDS is required to issue certificate in Form 16A within the prescribed limit given in Rule 31 of Income Tax Rules and as per Section 272A of IT Act, if certificate is not issued within the prescribed limit, a penalty of Rs.100/- per day may be imposed on the authority responsible for issue of certificate.

3. It is enjoined upon all post offices which are deducting TDS in any of the schemes either from Depositor or from Agent that TDS Certificate may be issued and delivered either in person or sent by ordinary post at the latest address available in the post office record within the prescribed period as intimated in SB Order No.10/2007.

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.

10. All Accounts Officers ICO(SB)
11. All recognized unions.
12. PS to Member (T)

No.76-01/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 8.12.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Registration of customer's request for transfer of account, closure of account and sanction of deceased claim case and maintenance/updation of record in this regard.

Sir / Madam,

The undersigned is directed to say that keeping in view the large number of complaints being received for delay in transfer of account, sanction of closure of account and deceased claim cases, it has been decided to register these three types of requests and maintain record of settlement of the same. For this purpose, following guidelines are being issued:-

1. Entry of request for transfer of account/closure of account/sanction of deceased claim case in register and grant of receipt:- Whenever a request from the depositor in the shape of an application for transfer SB-10(b), application for closure of account (SB-7A) and application for sanction of deceased claim case(SB-84) or (normal application in case of nomination) is presented at any Post Office, his request should be entered in the System Software (if the office is computerized) or register (format given below) to be maintained in manuscript (if the office is non-computerized). In case of computerized offices, receipt will be generated in the system and print out should be given to the depositor. In case of non-computerized offices, a receipt in the format given below should be issued to the depositor against his request and office copy retained:-

ACKNOWLEDGMENT OF CUSTOMER REQUEST

.....**SO (Name of post office where request received)**

Date of receipt of request.....

Time of receipt of request.....

Name of depositor.....

Account no.....

Name of scheme.....(SB/RD/TD/MIS/PPF/NSS/SCSS)

Type of request.....(Transfer of account/deceased claim case/closure of account)

Request No;-(Sl. No. of register)

Date Stamp of PO

Register to be maintained by non-computerized Post Offices

Date	Sl.No.	Name of depositor	Account No.	Name of scheme	Type of request A/C Transfer/ Claim case/ Closure of A/C	Date of disposal	Detail of disposal

2. In computerized post offices working on SB-LAN, status of the application should be uploaded in the System Software. In non-computerized post offices, if the office is SO, date and detail of disposal at SO should be noted in the register and in case of HO, date and detail of disposal at HO should be noted.

3. It is enjoined upon all the post offices to implement these orders w.e.f 15.12.2009. Necessary provision in the Sanchay Post Software is being made and patch on this account will be released soon by SDC Chennai. Till the patch is released, computerized post offices will also follow the same procedure as prescribed for non-computerized post offices.

4. It is requested that all inspecting/visiting officers may be directed to check this register while visiting/inspecting post offices and result of the check should be reported to the next higher authority.

5. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
- 10.All Accounts Officers ICO(SB)
- 11.All recognized unions.
- 12.PS to Member (T)

No. 76-01/09-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 8.12.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Revised rules of POSB Manual Vol-I

Sir / Madam,

The undersigned is directed to say that in view of computerization of Post Office Savings Bank, procedural rules of Savings Bank were reviewed and following modifications have been made:-

1. **Rule 5**

Stock Register of Passbooks is now maintained in the System Software. Therefore this will not be maintained physically in Head Post Offices working on SB-LAN. However, it will be the duty of Postmaster to ensure that data back-up is taken, supplied and stored as per time schedule prescribed from time to time.

2. **Rule 10**

In computerized Post Offices where work of SB is done through SB-LAN, physical maintenance of long book is not required as the same is maintained in the computer in super options.

Note:- It will be the duty of Postmaster to ensure that data back-up is taken, supplied and stored as per time schedule prescribed from time to time.

3 **Rule 13**

Deleted. After computerization of all HPOs, the manual ledger card has been discontinued. All accounts are to be opened and maintained in computer in the System Software and ledger folio/Pass Book view is maintained in the computer for each account. However, it will be the duty of Postmaster to ensure that data back-up is taken, supplied and stored as per time schedule prescribed from time to time.

4. **Rule 16**

Deleted. Since all HOs are now computerized and account data is maintained in the System Software, no physical binders or ledger cards are now maintained in HPOs.

5. **Rule 17**

Deleted. Since all HOs are now computerized and account data is maintained in the System Software, the preparation of physical duplicate card is now not required. However, it will be the duty of Postmaster to ensure that data back-up is taken, supplied and stored as per time schedule prescribed from time to time.

6. **Rule 18**

Since all HOs are now computerized and account data is maintained in the System Software, manual Register of Index to Ledger Cards is not required. This Index Register for each category of account is maintained in the System Software automatically. However, it will be the duty of Postmaster to ensure

that data back-up is taken, supplied and stored as per time schedule prescribed from time to time.

7 **Rule 19**

Deleted. Since all HO's are now computerized and account data is maintained in the System Software, the preparation of physical ledger chart is now not required. However, it will be the duty of Postmaster to ensure that data back-up is taken, supplied and stored as per time schedule prescribed from time to time.

8 **Rule 20**

Accounts not bearing interest: - (i) If at the time of opening an account, the intending depositor expresses his unwillingness to receive interest on the deposits in his account, he should be requested to record a statement to that effect under his own signature in the application form for opening of the account. The words "No interest" should then be written prominently in red ink across the top left hand side of the application form, on page one of the pass book given to the depositor and at the head of the depositor's account in the ledger folio/page.

(ii) If a depositor who has opened an account not bearing interest applies afterwards to get interest in his account, he should be allowed to change the option midway during the currency of the account.

(iii) If a depositor who has opened Savings account(s) bearing interest, declines afterwards to accept interest, interest will cease to accrue from the year in which the application is made. The words "No Interest" should be written in the pass book and the ledger folio/page. The depositor should submit a fresh application form (SB-3) which should be kept along with the old form.

(iv) In Sub Offices, such applications should be date stamped and forwarded with the fresh application form to the Head Office duly entered in the list of documents after keeping a note in the Sub Office ledger/journal.

Note: - If any RD/TD/PPF etc. account is already opened under not bearing interest option in manual ledgers, it will continue till its maturity and depositor will not be allowed to convert the account into interest bearing account. In future, only Savings accounts can be opened under this option.

9 **Rule 22**

Maintenance of physical nomination register in computerized post offices working on SB-LAN is now discontinued as the same is generated automatically in the system software. However, it will be the duty of Postmaster to ensure that data back-up is taken, supplied and stored as per time schedule prescribed from time to time.

10 **Rule 26**

Procedure when the initial deposit is made by cheque

Rule 26 In case of a departmental sub office, only the cheque will be received in the Head Office for collection. Cheque will be sent to treasurer for collection by Sub Account Assistant and after clearance, an intimation of collection will be sent to the Sub Office. Account will be opened in a usual manner as and when information is received through LOT in SBSO.

Departmental Sub Offices: - (i) When the initial deposit is made by cheque, the application form, pay-in-slip, additional specimen signature slip and the cheque should first be scrutinized by the SB Assistant. A receipt in the counterfoil of the pay-in-slip should then be issued to the depositor for the cheque. If the cheque is a local one for collection by office itself, the application form and pay-in-slip should be kept safely and the cheque sent for collection. After the amount is collected, the account should be opened in the usual way. The date of credit will be the date of clearance of the cheque

and the same is to be noted in the ledger and the pass book. The date of credit of cheque in case of RD/PPF account will be the date of presentation of the cheque.

(ii) In case the cheque is not for local collection, it should be sent to the Head Office for collection. When the intimation of collection is received from the Head Office, the account should be opened in the manner prescribed above and the pay-in-slip and account opening application form (SB-3) with the account number allotted should be sent to the Head Office with the list of transactions. In respect of RD/MIS/SCSS accounts, SB-3 will remain in S.O.

11 **Rule 30**

30(1) If an account is opened in contravention of the P.O.S.B. General Rules, 1981, the account should be closed under the orders of the Head Postmaster. No further transaction should be allowed in it. If any annual interest has been credited in the account, it should be adjusted at the time of closure of the account through the register of rectification of interest and a remark of adjustment made in the ledger card. A written notice in the following form should be sent to the depositor indicating the irregular opening with a request to close the account within 30 days of issue of notice and take the withdrawal payment personally or through an agent. If the depositor does not comply with the request within 30 days, the account may be closed and the amount remitted by crossed cheque after deducting the interest if any already paid.

SPECIMEN OF NOTICE

NOTICE

Dear Sir/Madam,

It is noticed that your savings account No. has been opened in contravention of rule (4) of the Post Office Savings Account Rules, 1981. As no interest is admissible on the deposits in such account vide rule 17 of P.O.S.B. General Rules, 1981, I request you to close the account immediately. You may present your pass book at office together with an application for withdrawal and receive payment of the amount at your credit either personally or through an agent. If, however, you failed to close the account within 30 days of issue of this notice, the amount will be remitted to you by cheque after deduction of amount of interest if paid any and the postage charges from the amount at credit.

Yours faithfully,

Postmaster

12 **Rule 31**

SUBSEQUENT DEPOSITS-MODE OF DEPOSITS

31.(1) Deposits in an account may be made in any of the following forms, namely :-

- (i) Cash
- (ii) A cheque or a demand draft drawn in favour of the depositor or the Postmaster and crossed generally or specially in favour of the Post Office Savings Bank.
- (iii) Indian Postal Orders
- (iv) SB money orders received from Field Post Offices.
- (v) Pay cheques.
- (vi) Matured value of CTD/RD/TD/MIS/NSS/SCSS accounts.
- (vii) Dividend warrants, interest warrants and refund orders issued by the companies/financial institutions.

(viii) A Pay order.

(ix) An Income Tax Refund Voucher of Income Tax Refund Order.

(x) Withdrawal or discharge of any amount payable on an account or Savings Certificate held by the depositor.

Note 1:- In computerized post offices working on SB-LAN, there are three modes of deposit i.e cash, cheque and MO. For deposit by Postal Order, the MO may be used. In case of modes of deposit mentioned at Sl.No.(ii), (v), (vii), (viii) and (ix), the option cheque may be used. In case of modes (vi) and (x), provision in the System Software for auto credit to savings account is available in all the schemes.

13 **Rule 35**

INSTANT COUNTER SERVICE

35 Provisions of routing every 6th transaction through supervisor, maintenance of separate long book by counter PA and maintenance of duplicate ledger cards have been deleted for computerized post offices working on SB-LAN. Long book will be maintained by SPM in case of non-computerized offices also.

14 **Rule 51**

TRANSFER OF ACCOUNTS

51 Restriction of transfer of account between 16th and 31st March is deleted as the IBB calculation and interest calculation is now done by the system software after completion of posting up to 31st March..

15 **Rule 53**

Note:- When one departmental SO is placed under the jurisdiction of another HO, the procedure prescribed for transfer of account standing at a SO and transferred to another SO under different HO shall apply. In case, two SOs under the same HO are merged, procedure prescribed for local transfer of accounts shall apply.

16 **Rule 73**

**CALCULATION AND CHECKING OF ANNUAL S.B. INTEREST AND POSTING OF INTEREST IN PASS BOOKS IN HEAD/SUB POST OFFICES
CALCULATION AND CHECKING OF INTEREST**

73.(1) Now all HPOs are working on SB-LAN in System Software and the interest is calculated by the system software in computer. After completion of posting of transactions of 31st March of a particular year (including all SOs of 31st March LOTs), command for calculation of IBB, calculation interest and then interest posting should be given by the Postmaster (Supervisor). Print out of Interest Statement in duplicate for HO and triplicate in case of SOs and MDGs should be taken. One copy of interest statement should be transferred to SBCO and second copy should be sent to SOs and MDGs. Third copy should be kept in guard file as office copy. SBCO should charge the total amount of interest in statistical registers of April.

Note:- MDGs will now not calculate annual interest but post interest in their accounts from the list received from HPO. HPO will also calculate and post interest in MDGs data available in SOSB.

(2) The interest is payable on the lowest balance at credit for the depositor in each calendar month between the close of the tenth day and the end of the month. This is called the interest bearing balance. For an account opened at a sub or branch office, the actual date of deposits and withdrawals in sub or branch office should be taken into account.

(3) If the interest bearing balance during a month is less than Rs. 20 it will not be taken into account for interest calculation. If the total interest for the year in the account is less than one rupee, no interest will be allowed. Even if the total amount of interest admissible during the year is less than one rupee but more than 97 paise, it should not be rounded off to one rupee.

(4) The Interest statement should include all accounts including silent accounts (become silent after 31.3.2003) and accounts where no interest is credited. SOs including MDGs should post the interest in their ledgers/systems immediately after receipt of copy of Interest statement. While posting of interest, the difference of balance if found any between balance shown in interest statement and the balance shown in SO/MDG record, should be reconciled. In case of any discrepancy, passbook of the depositor should be called for and Passbook along with ledger copy should be sent to HO for reconciliation of balance. The computerized sub offices should also tally the total balance in their system with the Interest statement.

17 **Note below Rule 84**

Note :- The Head of Division irrespective of status of the division and Group 'A' Postmasters can sanction the claims upto Rs. 5000/- in each case regardless of the aspect of recovery of the loss subject to the condition that sanctioning authority has to ensure that there has not been any negligence on the part of the defrauded person in contributing to the fraud and also that settlement of claim will not cause any hindrance in concluding the enquiry, fixing responsibility and taking appropriate action against the officials at fault. These powers will be exercised personally by the Divisional Heads/Group 'A' Postmasters. Regional Directors are vested with powers to sanction claims without any limit. (DG Posts Letter NO. 8-5/2003-Inv(Pt) dated 5.6.2003)

18 **Rule 108 (RD)**

Procedure for opening of account or subsequent deposit in RD by cheque has been modified and now RD account will be opened or given credit only after clearance of cheque from the bank as done in case of PPF accounts. The revised procedure is as under:-

108. Deposit by Cheque, Pay Order or Demand Draft :-

(a) The procedure of acceptance of cheque, pay order, etc. should be the same as prescribed for deposits by cheque, pay order, etc. in savings accounts except that after receipt of intimation of clearance, date of presentation of cheque will be treated as date of deposit in the account

(b) The collection charges are to be levied on all deposits by outstation cheques in RD Accounts. The depositor will be required to pay the collection charges in cash while tendering the cheque for deposit. The depositor will enter the collection charge that is paid, in the pay-in-slip. The Counter Assistant will credit the collection charge under UCR with necessary remark in the receipt in form ACG-67 as "Being collection charge for outstation cheque No.....dated.....drawn onBank (name of branch) deposited in RD Account No.". The ACG-67 receipt will be attached to the pay-in-slip. The depositor will have the collection charge receipted for in the counterfoil of the pay-in-slip. The Sub Postmaster in the Sub Office and the Ledger Assistant and the APM(SB) in the Head Office will see that due collection charge has been collected by the Counter Assistant.

(c) When the cheque is cleared, necessary entries in the ledger folio/page and passbook should be made by following the same procedure as prescribed for savings account except that date of deposit will be shown as date of presentation of cheque. The date stamp impression on the pass book should

however be of the date on which the entry is made. A remark should also be made to show that the deposit was made by cheque.

(d) In the event of cheque or draft being dishonored, the procedure prescribed for other schemes shall apply mutatis mutandis.

(e) In respect of deposits by cheques in RD accounts received in connection with Pay Roll Savings Scheme, the pass books should be retained in the post office until clearance of the cheque and returned only after making entries of deposits therein.

19 Rule 115

Irregular closure of RD accounts :- In case of detection of mistakes, the proposal for condonation of irregular closure can now be settled at the level of Regional Head instead of Circle Head.

20. It is requested that these changes may be brought to the notice of all post offices immediately for information, guidance and necessary action.

21. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai)
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
- 10.All recognized unions.
- 11.PS to Member (T)

No.76-01/09-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 8.12.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Revised rules of POSB Manual Vol-II

Sir / Madam,

The undersigned is directed to say that in view of computerization of Post Office Savings Bank, procedural rules of Savings Certificates were reviewed and following modifications have been made:-

1. **Rule 4**

Placing working stock of certificates with Counter PA is discontinued in computerized post offices working on SB-LAN.

2. **Rule 11(3)**

In case of deposit by cheque, certificates will be prepared only after realization of cheque through the system software in computerized post offices working on SB-LAN.

3 **Rule 17**

Facilities to be provided to agents by post offices:- The postmaster should fix separate business hours for agents after the close of business hours of Savings Bank so that agents can come and transact their business during these hours. The agents should be provided cooperation by Postal Staff wherever they attend the post office to transact their business in the business hours fixed for them. They should be treated with all courtesy and allowed to come inside the post office public hall during their business hours.

Report to National Savings Authorities:- This provision is now deleted.

4. **Rule 20**

In this rule provision of preparation of weekly issue journals by SOs is deleted.

5. It is requested that these changes may be brought to the notice of all post offices immediately for information, guidance and necessary action.

6. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai)
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)

7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized unions.
11. PS to Member (T)

SB ORDER NO. 19 /2009

No.113-01/2001-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 14.12.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Enhancement of limit of withdrawals at Extra Departmental Sub/Branch Post Offices without obtaining sanction from Account Office

Sir / Madam,

The undersigned is directed to say that issue of enhancement of the present limit of withdrawal without sanction of Account Office by EDSO/BO was under consideration of this Directorate from some time. This limit was last enhanced from Rs.500/- to Rs.2000/- vide this office letter of even number dated 6.12.2001 and 12.12.2001 (SB Order No. 16/2002 and 18/2001). After careful consideration of the requests received, views of circles and devaluation of rupee, it has been decided to enhance the present limit of withdrawal from Rs.2000/- to Rs.5000/- w.e.f 15.12.2009.

2. It is requested that these changes may be brought to the notice of all post offices immediately for information, guidance and necessary action.
3. This issues with the approval of Secretary Posts.

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai)
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.

6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized unions.
11. PS to Member (T)

SB ORDER NO. 20 /2009

No.65-02/2009-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 30.12.2009

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

**Subject:- Regularization of irregular opened/issued
accounts/certificates.**

Sir / Madam,

The undersigned is directed to say that Directorate is receiving large number of cases in which Accounts in various schemes and NSC/KVPs were irregularly opened/issued in the name of depositors/ holders who were not eligible to open accounts/purchase certificates under the rules of respective schemes. Min. of Finance (DEA) has taken a very serious note of it and issued directions to the department to control these types of irregularities and take suitable action against the officials responsible for the financial loss sustained by the Government in regularizing such cases and in consequence of court cases.

2. This office has issued directions from time to time to take remedial measures to avoid such irregularities. Now, MOF(DEA)Vide its latest Letter No F.3/1/2008-NS-II I(Vol-II) dated 25.11.2009 has informed that cases for regularization should only be sent after completion of disciplinary action and awarding of penalty alongwith particulars of recovery of agent commission if the investment was made through agent.

3. To comply with the instructions of MOF(DEA), it is requested that action against the responsible officials for irregular issue of certificates/opening of accounts should be initiated immediately on noticing the irregularity and the regularization cases should be sent along with application from the holder in the following format in duplicate :-

FORMAT

Sl.N o.	Name of holder/depo sitor	Name of scheme & date of issue/op ening & amount	Date of maturit y and date on which irregul arity came to notice	Details of Disciplinary action taken against erring officials with nature of penalty imposed. If the official has been retired/expir ed, date of retirement/e xpired should be	Details of recovery of agent commis sion with amount and particul ars of recovery	Recommend ation of Deptt. Of Posts
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				mentioned.		
1	2	3	4	5	6	7

Note:-

- The regularization format should be separate from the forwarding letter.
- In case action against officials responsible could not be taken due to retirement/death/transfer, date of irregularity coming to notice and date of retirement/death/transfer must be mentioned.
- Nature of punishment awarded must be noted in the relevant column.

4. This format should be prepared in duplicate and in the last column of first copy of the format, recommendation of the circle should be mentioned keeping in view of the circumstances, financial position and request of the applicant. This column on the second copy should be left blank for the Directorate. The proposal should be sent only after recommendations of Circle/Regional IFA and Head of the Circle to be mentioned in last column who will ensure that the above instructions have been fully followed.

5. It is requested that the above instructions may be brought to the notice of all post offices and administrative offices immediately for information, guidance and necessary action.

6. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai)
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized unions.
11. PS to Member (T)

No.113-02/2010-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 13..01.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Guide Book on “ Procedure on Small Savings Schemes and Payment of wages under MGNREGA for use in EDBOs.

Sir / Madam,

Procedural rules for EDBOs were available in Branch Post Office Rules printed prior to 1988 but after printing of POSB Manuals in 1988, these rules were not printed in BO Rules. As POSB Manuals and the changes circulated from time to time are not supplied to EDBOs, the GDS BPMs are not having any material on procedure to be followed by them either in the shape of a rule book or a guide book which is resulting in many irregularities in following procedure by EDBOs with respect to various types of accounts.

2. With due permission of the Department, a guide book on “ **Procedure on Small Savings Schemes and Payment of wages under MGNREGA**” has been written and published by Sh.Kawal Jit Singh A.D (SB) Postal Directorate. Secretary Posts has endorsed the book by writing FOREWARD of the same. The book is in English as well as Hindi and contains procedure for handling various types of accounts and payment of wages to Mahatma Gandhi NREGA workers. A chapter on various incentive schemes for GDS BPMs and specimen of registers as well as important forms is also given.

3. Sample copy of the book is enclosed. The book will be very useful for GDS BPMs and the inspecting officials/officers who can guide the GDSBPMs at the time of imparting training and also at the time of inspections/visit to EDBOs for discharging their daily duties. The book is available with the publisher from whom that may be purchased and supplied to EDBOs..

4 This issues with the approval of DDG(FS)

(Dinesh Kumar Sharma)
ADG(Banking Services)

Encl:- Sample copy of Book.
Copy to:-

1. Director, Postal Staff College, Ghaziabad.
2. All Directors, Postal Training Centres.
3. All ADs/APMsG(SB)
4. All Accounts Officers ICO(SB)

No.35-15/86-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Revival of silent accounts and charging of service charge- a revised procedure regarding.

Sir / Madam,

Kindly refer to this office SB Order No. 7/2003 issued vide letter of even number dated 27.3.2003 vide which revised procedure for calculation of interest, identification of silent accounts and levy of surcharge on silent account with balance below minimum was circulated.

2. On receipt of various references and the information gathered during field visits, it has been noticed that amendment issued to Rule 8 of POSA Rules 1981 vide GSR No. 431(E) dated 14.6.2002 by MOF(DEA) and clarification issued vide letter of even number dated 19.12.2003 regarding technical revival of silent accounts for levy of service charge on silent accounts of prior to 1.4.2003 has not been properly implemented in all silent accounts. The whole matter has been reviewed in this office and the revised procedure for revival of all silent accounts i.e prior or post 1.4.2003 and levy of service charge has been drawn in below noted paras.

(i) ACTION ON SILENT ACCOUNTS AS ON 31.3.2002

All silent accounts as on 31.3.2002 (including those treated as silent at the time of interest calculation of 2001-2002) shall be technically revived (without obtaining application from depositor) in SB-62(a) and SB-63 by the SBCO. Service charge of Rs.20/-per account shall be deducted from the accounts having balance below Rs.50/- based on the balance at the time of treating the account silent. The accounts having balance Rs.20/- or below shall be closed. Depositors of such accounts shall be informed by issuing letter on their latest available address. In case of accounts with balance between Rs.20/- and 50/-, service charge of Rs.20/- shall be deducted and depositor should be informed and reminded for revival of account. On 31.3.2010, interest will be calculated on all technically revived accounts and interest shall be charged along with normal interest statement. From on 1.4.2010, all these accounts shall be treated at par with the silent accounts of post 31.3.2002 which are already part of the office balance. All these accounts then be entered into the Sanchay Post System of the concerned office through data entry module by using following steps:-

- Open the SB account through data entry module and enter all the transactions available in the account including interest up to 31.3.2010.
- Log in as 'SUPER' in online module and use the 'Annual interest calculation' form (1305) to mark the account as silent.

(ii) REVIVAL OF SILENT ACCOUNT

The procedure for revival of all silent accounts has been revised and this procedure will be applicable from 1.4.2010. The detailed procedure is given below:-

(a) Revival of silent accounts can be made at any departmental post office where the account stands by transaction of either deposit or withdrawal but the depositor has to attend the post office personally for revival. The SPM/APM will take an application from the depositor for revival of account and the depositor has to reintroduce himself by following the same procedure

as prescribed for opening of a new account. SPM/APM shall accept the introduction of the depositor on the application and pass order for revival of account. The application shall then be placed in a guard file to be kept by SPM/APM and preserved for 3 Years.

(b) Remark of account revived will be given in the LOT by SO/HO. The SBSO will revive the account at the time of posting of transaction in SBSO Module.

(c) In case of EDBO/SO, the GDS BPM/SPM will ask the depositor to submit application with the passbook for revival and identify the depositor as required for opening of new account. GDS SPM/BPM will accept the identification on the application and send the same to Account Office along with passbook for orders. SB-28 will be issued to the depositor against the Pass book. After receipt of orders of revival from Account Office on the Passbook and the application, transaction will be allowed. After accepting transaction, the application of revival received from Account Office. shall be attached with the voucher and sent to Account Office. GDS BPM/SPM will record necessary remark of revival of account in his office records i.e BO/SO Journal/ledger and SS Book.

(d) In Account office, when application of depositor is received along with Passbook from EDBO/SO, the SPM/APM shall verify the balance in the account from the system/ledger and after tallying signature of the depositor with that available in the office record, put remarks on the Passbook against last entry and in the application as "Revival Allowed" under his dated signatures. Passbook alongwith application will be returned to EDBO/SO duly entered in BO/SO slip.

(h) On receipt of transaction voucher from EDBO/SO alongwith application of revival, the SPM/APM will revive the account in the system/ledger and place the application in the guard file prescribed for keeping application for revival of account. Remark of "A/C revived" will be given in the LOT against the transaction. The SBSO will revive the account during posting of transactions in SOSB Module.

(i) While checking LOTs and vouchers, SBCO will watch the remarks of revival of silent account in the LOT and encircle in red ink the concerned account shown in the Interest Statement and record remark, "A/C revived on _____" under dated signature.

(j) All inspecting officers, while on inspections/visits will verify the 5 accounts revived in each month from the guard file maintained by SPM/APM with the respective ledger folio/card in the system and record results in the visit/inspection report/

3. The action for technical revival and charging of service charge from the silent accounts of prior 31.3.2003 should be started immediately and action for revival of all silent accounts with new procedure and data entry of all silent accounts of pre-2003 (excluding closed by deduction of service charge) should be started from 1.4.2010.

4 All heads of circles will send progress report on fortnightly basis on the action taken to this office for monitoring by Member (Tech).

This issues with the approval of Secretary Posts.

Yours faithfully,

(Kawal Jit Singh)

Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai)
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
- 10.All recognized unions.
- 11.PS to Member (T)
- 12.PPS to Secretary Posts

No.5-1/2009-SB(AO)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 28.01.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Discontinuance of submission of pencil copy of HO list of transactions to AO(ICO) by SBCO-Amendment to Rule 46 of POSB Manual Vol-I and Para 141 of Manual of SB Control Procedure regarding.

Sir / Madam,

The undersigned is directed to say that after computerization of all HPOs, a suggestion has come from Uttarakhand circle to discontinue submission of pencil copy of HO list of transaction to AO(ICO) by SBCO as the same is causing duplication of efforts in management of preservation of LOTs.

2. The above suggestion has been considered by this office and it has been decided that HO will prepare single copy of list of transactions for the counter transactions and transfer the same to SBCO along with vouchers and SBCO will keep the LOT along with vouchers. No Pencil copy of LOT of HO transactions will be sent to AO(ICO). Accordingly, Para 141 of Manual of SB Procedure and corresponding Rule 46 of POSB Manual Vol-I stand amended.

2. It is requested that the above instructions may be brought to the notice of all post offices and administrative offices immediately for information, guidance and necessary action.

3. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai)
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)
7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)
10. All recognized unions.
11. PS to Member (T)
12. PPS to Secretary Posts

No.113-03/2010-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 28.01.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Payment of monthly interest to MIS account holders.

Sir / Madam,

The undersigned is directed to say that this office has received a petition from one of the MIS account holder of Vishnu Nagar PO, Dombivali, Mumbai through President's Secretariat in which it has been mentioned that the Post Office has informed him that monthly interest would be given only to the account holder or his family member.

2. It is pertinent to mention that under provisions of Rule 33 of POSB Manual Vol-I i.e

- (i) Postmaster includes Sub-Postmaster, Branch Postmaster, Dy. Postmaster, A.P.M and SPMs in charge of SB Branch should not act as an agent or messenger of a depositor for the purpose of withdrawal from a saving bank account standing open in his office.
- (ii) Any SAS/MPKBY/PPF agent cannot act as an agent or messenger of a depositor for the purpose of withdrawal from his/her saving bank account.

The account holder can appoint any person as messenger except above restricted categories.

3. In addition to this there are other modes of getting monthly interest i.e by credit into savings account standing in same post office, by issue of Post Dated Cheques (PDCs), by Money Order and by ECS.

4. It seems that the post office staff is not guiding the account holders properly which resulted in such type of petitions. It is requested that necessary instructions may be issued to the field staff to guide the account holders properly and also to give wide publicity for these facilities particularly credit of interest into savings account by giving standing instruction..

5. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. Director (Fgn.Post & Mkt) O/o Pr. CPMG T..N Circle. (SDC Chennai)
2. Director of Audit (P&T), Delhi.
3. All Directors/Dy. Directors of Accounts, Postal
4. Director, Postal Staff College, Ghaziabad.
5. All Directors, Postal Training Centres.
6. DDG(VIG)/DDG(Estt.)

7. ADG(BS)/ADG(FS)
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
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- 10.All recognized unions.
- 11.PS to Member (T)
- 12.PPS to Secretary Posts

No.113-09/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.
Date: 02 02.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

CORRIGENDUM

**Subject:- Delegation of power to sanction deceased claim cases by
Sub Postmasters in RD/MIS and SCSS accounts.**

Sir / Madam,

The undersigned is directed to refer to this office letter of even number dated 25.11.2009 and to say that the SB Order No.14/2009 is applicable to RD/MIS only. In case of SCSS accounts all SPMs are already authorized to sanction deceased claim cases where nomination is registered irrespective of the amount involved.

2. This may be brought to the notice of all post offices immediately for information, guidance and necessary action.
3. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
10. All Accounts Officers ICO(SB)
11. All recognized unions.
12. PS to Member (T)

No.116-01/2010-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 08.02.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Updation of passbooks through passbook printers and drive for educating depositors for opening/conversion of savings account with cheque facility.

Sir / Madam,

The undersigned is directed to say that Passbooks printers have been supplied to all major post offices and are being supplied to remaining post offices in a phased manner by Technology Division. It has been brought to the notice of this office that all post offices having Passbook printers are not updating the passbooks through passbook printers. One more suggestion has been received by this office for encouraging the depositors for opening savings accounts with cheque facility or converting the non-cheque accounts into cheque accounts.

2. It is requested to ensure that passbooks in post offices where passbook printers have been supplied are updated electronically and all post offices may be directed to educate the depositors of savings accounts as and when they attend the post office for opening of savings account or for subsequent transaction about the facility of cheque system in post office accounts.

3. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
10. All Accounts Officers ICO(SB)
11. All recognized unions.
12. PS to Member (T)

No.32-01/2010-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 25. 02.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Date of realization of local cheque/demand draft will be date of deposit in PPF account- a clarification regarding.

Sir / Madam,

The undersigned is directed to say that as per Paragraph 4(4) of the PPF Scheme, the deposit to PPF can be made by means of cash, crossed cheque or draft or pay order in favour of the Accounts Office at the place at which that office is situated. Further, as per paragraph 4(5) of the Scheme, "where a deposit is made by means of outstation cheque or instrument, collection charges at the prescribed rate shall be payable along with deposit and the date of realization of the amount shall be the date of deposit." A clarification was issued vide MOF(DEA) letter no. F.(3)9-PD/72 dated 4.9.1972 vide which it was clarified that when a subscriber makes a deposit by a local cheque or demand draft, the date of tender of cheque or draft at the Accounting Office will be treated as date of deposit.

2. MOF(DEA) vide its letter no. 7/7/2008-NS-II dated 10.02.2010 has decided to modify its letter no. F.(3)9-PD/72 dated 4.9.1972 to the extent that **when the deposit is made in PPF account by means of a local cheque or demand draft by the subscriber, the date of realization of the amount will be the date of deposit.**

3. It is requested to that this clarification may be circulated to all post offices operating PPF accounts and should also be displayed on the notice board in these offices for information of the PPF Subscribers who used to deposit subscription by means of local cheque. It is pertinent to mention here that interest on deposit in PPF account is admissible only if the deposit is made by 5th day of the month.

4. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
- 10.All Accounts Officers ICO(SB)
- 11.All recognized unions.

12.MOF(DEA), NS-II, North Block, New Delhi
13.PS to Member (T)

SB ORDER NO. 7 /2010

No.5-2/99-SB(AO)
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: . 03.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Security of Sanchay Post Database- issues relating to common problems, database back-up, storage and preservation.

Sir / Madam,

The undersigned is directed to refer to this office letter of even number dated 29.9.2000 (SB Order No. 26/2000) on discontinuation of manual ledgers/binders in post offices working on SB-LAN. In the aforesaid order, instructions on "Precautions against failure of the system" were mentioned in Point 3(c). It has been brought to the notice of this office that in many post offices working on Sanchay Post on-line module, manual ledgers are still being maintained which is resulting in duplication of the work. Many post offices are facing some common problems in Sanchay Post and are not using the DB Analyzer properly. Also, it has been felt to revise the instruction on data back-up, its security and preservation of database of Audit trail in Sanchay Post.

2. The revised procedure on Maintenance of Database, Signature Scanning, Security of database, Frequency of data backup, Storage location of data backup, Preservation of audit trail and accountability of these activities is enclosed as **Annexure-A**.

3. It is requested that this procedure should be circulated in all post office working on SB-LAN and all inspecting/visiting officers should ensure that this procedure is followed regularly in these post offices. As regards role of SBCO in HPOs, the new SBCO Module in Sanchay Post is being tested in SDC Chennai which will be released along with Version 7.0 of Sanchay Post shortly. The detailed procedure for SBCO functions in Sanchay Post will be circulated after release of that module.

4. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl. Annexure-A

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.

9. AD /Inspection/PF/Vigilance
- 10.All Accounts Officers ICO(SB)
- 11.All recognized unions.
- 12.MOF(DEA), NS-II, North Block, New Delhi
- 13.PS to Member (T)

ANNEXURE-A

Maintenance of Database

1. The System Administrator should run consistency checks for all SB databases every month. The query is given below:-

- Run SQL Query Analyzer
- Select the SB databases one by one
- Run the command “ DBCC CHECKDB
- The above query does not require SA roghts and if any consistency/allocation errors are received, Regional/Circle Office should be contacted.

2. The following basic database maintenance tasks should also be carried out using DB Analyzer software:

- Check for database corruption using ‘DB Analyzer >> DB Utilities >> Check database consistency’ option. This should be done for all the databases. If the result displayed is not (0 consistency errors and 0 allocation errors found) contact SDC Chennai through email for rectification. (To be done at least once in a fortnight)
- Clear the log files of all databases using ‘DB Analyzer >> DB Utilities >> Clear Log File’ option. (To be done at least once in a week)
- Errors listed in DB Analyzer should be rectified. Steps to be taken are indicated in the discrepancy list.

3. Upgradation manual should be read before commencement of upgradation and interest posting. For this, instructions are available in SDC Chennai website and in Sanchay Post upgradation CD.

Signature Scanning

- Only one signature in SB3 card is to be scanned.
- In version 6.5, the size of signature file should not exceed 25K.
- Procedure for scanning is available in the upgradation manual and on the SDC Cennai website.

Security of database (Virus problem)

Anti-virus software should be installed in the server and all the clients and should be updated regularly. A number of offices running Sanchay Post software are complaining of an error received when they try to logon to the Sanchay Post Module viz. ‘ Fatal disk error’. This problem could be due to a virus named ‘Salinity’. Symptoms of ‘Salinity’ virus infection are:-

- An error ‘Fatal disk error’ is shown when Sanchay Post is started.
- Post5.exe size is above 50kb.
- If reinstalled, Sanchay Post runs only once but fails with ‘Fatal disk error’ from the next time onwards.

To solve this problem, take backup of all databases and then scan/clean the system with updated antivirus software. To prevent this problem, ensure that antivirus software is updated regularly.

Datbase Backup and its frequency

- Backup should be taken **daily** by the system administrators / official identified for the purpose at HOs and SOs.
- Backups are to be taken for all the databases i.e. BPRO, BPLOG, POST, SOSB, SIGN and all the SO databases in HOs. And SOs.
- In case of scheduled backups using 'Database Maintenance wizard' it should be ensured that the backup has taken place and completed without errors.
- A full database backup can be scheduled at the end of transaction hours and differential backup if needed at regular intervals depending on the number of transactions handled at that office.

Location / Storage of Backups

- Backup files ideally should be saved on a node or should be transferred to a node after completion.
- Backups are to be written to an external media such as CD / DVD every week and sent to the designated identified office for safe custody.
- The CD / DVD should be neatly labeled with the date of backup, Office name, person performing the backup and verification.
- The CD / DVD up should be checked on another system for readability, before being sent to safe custody.
- SO / MDG should send the CD / DVD to the respective HOs.
- HOs should send one copy of the CD / DVD to the Divisional Office and other to Regional Office/Circle Office.
- It must be ensured by the Postmasters that **at least one copy of the backup, every week should be kept in a building away from the office (offsite)** to provide protection against location-specific catastrophes.

Accountability

1. A register is to be maintained by the head of the office to record the periodical backup process.
2. In case of server breakdown / change of server / upgradation, if databases are to be restored from backups, it must be ensured that all the databases are restored inclusive of BPLOG and BPRO. The date and time of restoration should also be recorded in the register.
3. The date of performing the additional maintenance tasks should also be recorded in the register.
4. The register should contain the following details:
 - Date and time of backup / restoration / maintenance
 - Name of Person performing the task
 - Backup file Location – Node / CD / DVD
 - Date of sending CD to safe custody
 - Countersign of Head of the Office.

Removal of Audit Trails

- After confirming the reliability of the backup received at the Regional/Circle office with the help of the Regional/Circle System Administrator, the Divisional Office can be authorized to remove the audit trails of specified period.
- Removing the data may be carried out by the Divisional System Administrator in the presence of an inspecting authority i.e SSP/SP/ASP or IP and duly documented for records. This operation should be performed every year in HOs and heavy transaction offices and once in two years in smaller offices.

- The period of retention of audit trail data should be 10 years or until agreement is completed, whichever is later.
- For investigations and whenever necessary, the older backup can be obtained from Divisional/Regional/Circle office.

SB ORDER NO. 8 /2010

No.109-04/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 23. 04.2010

MOST URGENT

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Introduction of Anti-Money Laundering (AML)/ Combating of Financing of Terrorism (CFT) norms for small savings schemes-implementation of CDD/KYC, Record Keeping and Reporting norms for POSB account/certificate holders under Prevention of Money Laundering (PML) Act 2002 regarding.

Sir / Madam,

The undersigned is directed to say that Min. of Finance (DEA) vide its O.M.No. F.4/1/2010/NS-II dated 12.4.2010 has issued guidelines for introduction of AML/CFT norms in Small Savings Schemes under PMLA 2002 and the rules notified thereunder. To comply with these norms, detailed guidelines for their implementation are enclosed in Annexure-A.

3. It is requested that these guidelines should be circulated at all levels i.e operative offices as well as administrative offices and these guidelines should be made effective from the date of receipt of this order in the concerned office. All inspecting officers should be directed to check at the time of visit/inspection that these guidelines are being followed strictly.

4. This issues with the approval of Member (Tech).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl. Annexure-A

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
9. AD /Inspection/PF/Vigilance
10. All Accounts Officers ICO(SB)

11. All recognized unions.
12. MOF(DEA), NS-II, North Block, New Delhi
13. PS to Member (T)

ANNEXURE-A

GUIDELINES TO BE FOLLOWED FOR POSB/SC ACCOUNT/CERTIFICATE HOLDERS WITH EFFECT FROM THE DATE OF RECEIPT OF THIS ORDER.

For the purpose of implementation of the provisions on Prevention of Money Laundering (PML) Act 2002 and rules made under this act, Ministry of Finance, Department of Economic Affairs (Budget Division) has formulated following norms for Prevention of Money Laundering (PML) and Combating of Financing Terrorism (CFT) in Small Savings Schemes.

Under PML/CFT, the deposits under various small saving schemes have been classified into three categories:-

Category 1 : The account holders having monthly average balance below Rs.50,000/- in all types of accounts opened in their name and in the name of minor(s) where they are the guardians and certificate holders having investment below Rs.50,000/- in all types of certificates issued in their name and issued in the name of minor(s) where they are the guardians.

Category 2 : The account holders having monthly average balance between Rs.50,000/- and Rs.10 lakh in all types of accounts opened in their name and in the name of minor(s) where they are the guardians and certificate holders having investment between Rs.50,000/- and Rs.10 Lakh in all types of certificates issued in their name and issued in the name of minor(s) where they are the guardians.

Category 3 : The account holders having monthly average balance above Rs.10 lakh in all types of accounts opened in their name and in the name of minor(s) where they are the guardians and certificate holders having investment above Rs.10 Lakh in all types of certificates issued in their name and issued in the name of minor(s) where they are the guardians.

All post offices has to follow following guidelines for Customer Due Diligence, Record Keeping and Reporting in repect all types of accounts/certificates:-

Customer Due Diligence/Know Your Customer (KYC) norms

Following CDD/KYC norms should be strictly followed in case of accounts/certificates fallen under the different categories:-

Category	Documents to be obtained while opening the account or issuing certificate
Category 1 Account opened or certificates issued with amount below Rs.50,000/-	<ol style="list-style-type: none">1. Recent Photograph2. Identity Proof: Copy of any one of the documents i.e Electoral Photo Identity card, Ration Card, Passport, Identity card from Central/State Government or PSU, POSB Identity card, Post Office Identity Card.3. Address Proof:- Copy of any one of the documents i.e Electoral Photo Identity Card, Bank or Post Office Passbook, Current Electricity Bill, Current Telephone Bill or letter from any recognized authority.
Category 2 Account opened or certificates issued with amount between Rs.50,000/- and Rs.10 Lakh	<ol style="list-style-type: none">1. Recent Photograph2. Identity Proof: Copy of PAN card and copy of any one of the documents i.e Electoral Photo Identity card, Ration Card, Passport, Driving License and Identity card from Central/State Government or PSU.3. Address Proof:- Copy of any one of the documents i.e Electoral Photo Identity Card, Bank or Post Office Passbook, Current Electricity Bill, Current Telephone Bill.
Category 3 Account	<ol style="list-style-type: none">1. Recent Photograph2. Identity Proof: Copy of PAN card and copy of any one

opened or certificates issued with amount above Rs.10 Lakh	<p>of the documents i.e Electoral Photo Identity card, Ration Card, Passport, Driving License and Identity card from Central/State Government or PSU.</p> <p>3. Address Proof:- Copy of any one of the documents i.e Electoral Photo Identity Card, Bank or Post Office Passbook, Current Electricity Bill, Current Telephone Bill.</p> <p>4. Source of Funds:- Copy of the document proving source from which funds received.</p> <p>5. Physical verification of address:- Address of all such customers should be got verified from state govt./gram panchayat/postman of that area before opening of account. This should also be followed in case of opening of account by transfer from other office.</p>
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Note:- In case where the account/certificate holder is a minor, the norms shall be applicable to the guardian. In case of joint account, the norms will be applied for all the joint account/certificate holders.

Record Keeping

Following norms should be strictly followed in case of accounts/certificates fallen under the different categories:-

Category	Documents to be obtained while opening the account or issuing certificate
Category 1 Account opened or certificates issued with amount below Rs.50,000/-	<ol style="list-style-type: none"> 1. Three copies of Photograph should be taken. One copy should be attested and pasted on Account Opening Form or Purchase Application Form, the second copy should be attested and pasted in the Passbook or with one certificate and third copy should be pasted in the register as prescribed in Rule 37(1) of POSB Manual Vol-I. 2. Copy of ID and Address proof should be attached with the Account Opening Form or Purchase Application. 3. Account Opening Form or Purchase application forms should be kept in guard file duly attested by Postmaster/APM/SPM and preserved for 10 years after close of account or discharge of certificate.
Category 2 Account opened or certificates issued with amount between Rs.50,000/- and Rs.10 Lakh	<ol style="list-style-type: none"> 1. Three copies of Photograph should be taken. One copy should be attested and pasted on Account Opening Form or Purchase Application Form, the second copy should be attested and pasted in the Passbook or with one certificate and third copy should be pasted in the register as prescribed in Rule of POSB Manual Vol-I. 2. Copy of ID and Address proof should be attached with the Account Opening Form or Purchase Application. 3. Account Opening Form or Purchase application forms should be kept in guard file duly attested by Postmaster/APM/SPM and preserved for 10 years after close of account or discharge of certificate. 4.
Category 3 Account opened or certificates issued with amount above Rs.10 Lakh	<ol style="list-style-type: none"> 1. Three copies of Photograph should be taken. One copy should be attested and pasted on Account Opening Form or Purchase Application Form, the second copy should be attested and pasted in the Passbook or with one certificate and third copy should be pasted in the register as prescribed in Rule of POSB Manual Vol-I. 2. Copy of ID proof, Address proof and proof of source of funds should be attached with the Account Opening Form or Purchase Application. The address proof should have a remark "Address physically verified"

	<p>with full dated signatures of the verifying authority.</p> <p>3. Account Opening Form or Purchase application forms should be kept in guard file duly attested by Postmaster/APM/SPM and preserved for 10 years after close of account or discharge of certificate.</p>
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Reporting of transactions

Following norms should be strictly followed in case of transactions of deposit or withdrawal in/from accounts:-

Category	Method of Monitoring of transactions.
All transactions of deposit or withdrawal of Rs.50,000/- or above	<ol style="list-style-type: none"> 1. Incharge of every departmental post office will be personally responsible for preparation of list of transactions (deposit/issue/withdrawal/discharge) in accounts and certificates involving amount of Rs.50,000/- or above at a time. 2. He will be responsible for sending this list to Head of the Division on monthly basis on 3rd working day of the subsequent month. 3. Head of the Division will be personally responsible for sending post office wise list of such transactions of his division to head of circle by 5th working day of the subsequent month. 4. Head of the circle will be responsible for sending the consolidated post office-wise list of such transactions to Principal Officer at Directorate.*
Any transaction (deposit/ withdrawal/issue/discharge) of account or certificate with amount of Rs.10 Lakh and above in a single account/certificate or if such transactions with total amount above Rs.10 Lakh occurred in the name of same person in an account/certificate in a month.	The channel of submission of such report will remain the same but list of such transactions is to be submitted on the next working day to Divisional Head/Head of Circle/Principal officer.
Suspected transaction where there is any doubt about linkage of the transaction with any terrorist outfit or where there is any suspicion about completing the CDD .	All suspected transactions should be reported through the same channel immediately with full detail of the customer. In case, there is any suspicion during completion of CDD/KYC, the account should not be opened or certificate should not be issued and customer details should immediately be reported through the same channel.

- **Orders of appointment of Principal Officer at Directorate will be issued separately. Till issue of such orders are reporting should be made to DDG(FS) in the Directorate.**

Instructions for existing account/certificate holders

Types of precautionary measures to be taken	Detailed procedure
CDD/KYC	In case of difference in signatures of depositor/holder at the time of payment of a transaction of the amount of Rs.50,000/- or above, full CDD/KYC documents should be taken as prescribed for category 1 for the new account/certificate holders.
Record keeping	Same procedure should be followed as prescribed for new account/certificate holders
Reporting	In case of existing account/certificate holders also, the reporting procedure as prescribed for new account/certificate holders will be followed.
Suspected transaction	In case of any suspected transaction of an existing account/certificate holder, report should immediately be sent through the same channel as prescribed for new account/certificate holder.

No.1113-01/2010-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 18.05.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Opening of “Zero Deposit, Zero Balance” savings accounts for beneficiaries of IGNOAPS, IGWPS and IGNDPS.

Sir / Madam,

The undersigned is directed to enclose Gazette Notification No. GSR 748 (E) dated 13.10.2009 issued by Min. of Finance (DEA) vide O.M No. F.2/10/2008-NS-II dated 28.10.2009 thereby allowing opening of “ Zero Deposit, Zero Balance” savings accounts for beneficiaries of Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGWPS) and Indira Gandhi National Disability Pension Scheme (IGNDPS) with the objective of facilitating the payment of pension under these schemes. The conditions of opening and operating accounts, number of accounts that can be opened, type of deposits that can be made, mode of withdrawal and transferability and closure of accounts have been given in the Table newly provided under Rule 4B of Post Office Savings Account Rules 1981.

2. It is requested that this notification should be circulated to all field units for information and necessary guidance.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl. Gazette Notification

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
9. AD /Inspection/PF/Vigilance
- 10.All Accounts Officers ICO(SB)
- 11.All recognized unions.
- 12.MOF(DEA), NS-II, North Block, New Delhi
- 13.PS to Member (T)

No.109-04/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110116.
Dated: 02.06.2010

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Introduction of Anti-Money Laundering (AML)/Combating of Financing of Terrorism (CFT) norms for small savings schemes- issue of further instructions and clarifications regarding.

Sir / Madam,

The undersigned is directed to refer to this office letter of even number dated 23.4.2010 (SB Order No.8/2010) on the subject and to say that on receipt of queries from the field units as well as further instructions from Min. of Finance (DEA), following instructions and clarifications are being issued:-

Customer Due Diligence/Know Your Customer (KYC) norms

(i). In case of opening of Accounts of all categories and purchase of certificates, if the customer submits declaration in Form 60 or 61 in duplicate, copy of PAN Card should not be insisted upon. Copy of declaration given by the customer should be sent to Income Tax Officer of the concerned area once in a month.

(ii). If a customer who has already opened account or purchased certificates by giving all KYC documents required as per order dated 23.4.2010, there is no need to take KYC documents again if he/she wants to open another account or purchase another certificate in the same post office. For these customers, a file called " Customer Identification File" should be maintained in which all KYC documents should be placed. A serial number starting from 1 to.....should be allotted to each such customer which may be called " Customer Identification Number". Detail of all types of investments made by the customer in the same post office should be placed in this file which will be kept by the Supervisor/APM/SPM himself in his personal custody. This CIN number i.e serial number of file should be noted on the passbook or certificate by the Postmaster for future reference.

(iii). In EDBOs, GDSBPM should prepare a register of such account holders where detail of investments made by that customer should be noted as and when he/she attends the post office for opening of another account or purchase of certificates. The serial number of the Register allotted to the customer should be noted on the Passbook by BPM for future reference.

(iv). CDD/KYC documents are also required to be taken in the existing accounts or certificates when there is a suspicion of money laundering or

terrorist financing or when there is doubt about the veracity or adequacy of previously obtained customer identification data.

Record Keeping

All long books and List of Transactions either available in hard copy or in soft copy should be preserved for 10 years. All ledger cards or account details either available in hard or soft copy, Account Opening Form and Customer Identification Files/Registers should be preserved for 10 years after closure of the account.

Reporting

Following is the new schedule for reporting transactions:-

Types of transactions

- (a) All cash transactions more than Rs.10 Lakh.
- (b) All series of cash transactions which are less than Rs.10 lakh but are integrally connected and are carried out within one month period and totally exceed Rs.10 Lakh.
- (c) Any account where cash is accepted and forged or counterfeit currency notes are used or where forgery of valuable Security or documents has taken place.
- (d) Any attempted transaction involving forged or counterfeit currency notes, forged security or document.
- (e) All suspicious transactions, involving deposit withdrawal, transfer of account, solvency certificate/ Idemnity certificate etc. irrespective of the amount of transaction.

Definition of suspicious transaction:-

Suspicious Transaction means a transaction referred in clause (v), including an attempted transaction, whether or not made in cash which, to a person acting in good faith-

- (i) gives rise to a reasonable ground of suspicion that it may involve proceeds of an offence specified in the schedule to the Act, regardless of the value involved: or
- (ii) appears to be made in circumstances of unusual or unjustified complexity : or
- (iii) appears to have no economic rationale or bonafide purpose; or
- (iv) give rise to a reasonable ground of suspicion that involve financing of the activities relating to terrorism;
- (v) **‘Transaction’** includes deposit, withdrawal, exchange or transfer of funds in whatever currency, whether in cash or by cheque, payment order or other instruments or by electronic or other non-physical means.

Reporting schedule

Type of transactions mentioned from (a) to (b) are to be reported before 10th of the succeeding month and transactions from (c) to (e) are to be reported within 3 days of the transaction.

Note:- It is likely that in some cases transactions are abandoned/aborted by customers on being asked to give some details or to provide documents. All such attempted transactions should also be reported within 3 days irrespective of the amount of the transaction and even if the transaction is not completed by the customer.

The reporting structure will remain the same as intimated through order dated 23.4.2010.

2. It is requested that these instructions/clarifications should be circulated to all field units for information and necessary guidance.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl. Gazette Notification

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
9. AD /Inspection/PF/Vigilance
10. All Accounts Officers ICO(SB)
11. All recognized unions.
12. MOF(DEA), NS-II, North Block, New Delhi
13. PS to Member (T)
14. PPS to Secretary Posts.

No.107-02/07-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110016.
Date: 21.06.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

**Subject:- Deduction of TDS in case of Sr. Citizen Saving Scheme
2004 and payment of commission to agents from 1.4.2010.**

Sir / Madam,

The undersigned is directed to refer to this office SB Order No. 3/2007 and 4/2007 dated 25.5.2007 on deduction of TDS from interest payment in respect of SCSS Accounts and Payment of Commission to agents and to say that as per Finance Act 2010, in respect of payment of interest on SCSS-2004 accounts if the total interest in a financial year exceeds Rs.10,000/- and in case of payment of commission to Agents if aggregate commission in a financial year exceeds Rs.2500/-, TDS @10% should be deducted. There will be no surcharge or education cess on the TDS from 1.4.2010 on such payments to individual residents of India.

2. It is requested that this may kindly be brought to the notice of all post offices including sub post offices for information, guidance and necessary action.
3. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts (SB&CC)

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
9. AD /Inspection/PF/Vigilance
10. All Accounts Officers ICO(SB)
11. All recognized unions.
12. MOF(DEA), NS-II, North Block, New Delhi
13. PS to Member (T)
14. PPS to Secretary Posts.

No.113-10/2004-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110016.

Date: 19.07.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- **Closure of all accounts other than individual accounts
(except security deposit accounts) by 31.7.2010.**

Sir / Madam,

The undersigned is directed to refer to this office SB Order No. 14/2005 dated 4.8.2005 vide which Min. of Finance GSR No. 509(E) dated 27.7.2005 was circulated. In the GSR, it was mentioned that “ outstanding balances in all savings accounts other than individual shall be refunded to the depositor on a date not later than 31st December 2005 and deposits in an account other than individual account shall not earn any interest after 31st December 2005”.

2. During visits to various post offices, it has been noticed that many public accounts (other than security deposit accounts) were not closed by 31.12.2005 and the outstanding balance in these accounts is still lying in the list of silent accounts. Keeping these accounts in the data-base or in ledgers (in case of SOs) is irregular in the light of GSR dated 27.7.2005.

3. It is requested that immediate action should be taken to close all such accounts which are still lying in data-base or ledgers and interest is not calculated after 31.12.2005 and outstanding amount should be refunded to the depositor by crossed cheque. This exercise should be completed by 31.7.2010 and in the first week of August 2010, a certificate that all such accounts have been closed and number of such accounts closed with outstanding amount should be sent to this office.

4. This may kindly brought to the notice of all post offices.

5. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Superintendent Posts (SB&CC)

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
9. AD /Inspection/PF/Vigilance
- 10.All Accounts Officers ICO(SB)
- 11.All recognized unions.
- 12.MOF(DEA), NS-II, North Block, New Delhi
- 13.PS to Member (T)

14.PPS to Secretary Posts.

No.113-3/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 26.7.2010

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Reinvestment of maturity value of one scheme to same or another scheme- a revised procedure regarding.

Sir / Madam,

The undersigned is directed to refer to this office letter of even number dated 21.4.2008 (SB Order No.10/2008) on the subject and to say that after introduction of AML/CFT norms circulated vide SB Order No.8/2010 and 10/2010, the procedure of reinvestment of maturity value of one scheme to same or another scheme either direct or through agent has been revised. **Now, for re-investment of full maturity value or part thereof either directly or through agent, the customer has to either maintain or open a new savings account in the same post office.**

The revised procedure is given below:-

Procedure of direct reinvestment

If a customer wants to reinvest the maturity value of one small savings scheme either in full or part thereof, he/she, if has not provided CDD/KYC documents required as per SB Order No.8/2010 and 10/2010 has to attend the post office personally and these documents should be obtained while accepting re-investment. The counter PA of computerized post office will transfer the full maturity value to the savings account if already stands in the same post office or ask the customer to open new savings account with KYC/CDD documents and then transfer the maturity value into savings account. In case of non-computerized post offices, the customer will be asked to fill Pay-in-Slip of the amount equal to the maturity value for credit into his/her savings account. Then the customer should be asked to fill withdrawal form from savings account equal to the amount of investment. After following the procedure of normal withdrawal from savings account, the amount should be re-invested in the scheme for which necessary documents will be provided by the customer. There is no need to issue cheque for the maturity value in such cases.

Procedure of reinvestment through agent

In case of redeposit made in TD account under Sub Rule (3) of Rule 6 of POTD Rules 1981 in which redeposit is made retrospectively from the date of maturity, the re-deposit through agent is not admissible. However, the agents are entitled to get commission on re-investments in all small savings schemes except above. For this purpose, procedure to be followed is given below:-

(i) After introduction of AML/KYC norms, the customer has to come to post office alongwith agent if he desires to re-invest the maturity value or

part thereof through agent. However, if the customer has already submitted CDD/KYC documents to the post office and is having Customer Identification Number (CIN), his/her presence in the post office for re-investment is not mandatory. In case the customer attends the post office for re-investment through agent, the procedure mentioned above will be followed and agent will be entitled for payment of commission. In case where the customer has already got CIN, the agent will produce pass book along with account closure form (SB-7A) duly completed and signed by the depositor on both sides or matured certificates duly signed on the back by the investor. The depositor/investor will write on the top of SB-7A or on the top of backside of matured certificate that “ Passbook/Certificate(s) handed over to Mr./Ms. _____ Agency no. _____ for re-investment of Rs. _____ in _____ Scheme” under his/her dated signatures. An application for opening a new account (SB-3) or purchase application for the purchase of certificates duly completed and signed will be obtained from the depositor / investor by the agent. The depositor / investor will write on the application for opening a new account or application for purchase of certificates under his/her dated signature his or her CIN number and account number or registration number of certificates through which KYC/CDD documents were given to post office. He/she will also write that “Amount of Rs. _____ being maturity value of _____ the matured deposit / certificates is being reinvested through the agent(name of agent and C.A. number). The agent will obtain all the documents in the capacity of an agent not as a messenger.

(ii) The post office will verify the CIN and ensure that CDD/KYC documents are available in the customer Identification File. The maturity value of the instrument will first be credited into savings account and then the required amount will be re-invested. The postmaster of the post office will fill the withdrawal form for the amount required to be re-invested and put remarks on the warrant of payment side as “ Rs. _____ re-invested in _____ scheme on _____” under his full dated signatures. This W/D form will be treated as voucher for withdrawal of amount from savings account of the depositor.

(iii) Normal procedure will be followed for opening of the new account or issue of the certificates. There is no need to issue cheque for the matured amount in case of reinvestment as no cash handling is involved and the full maturity value is credited into savings account.

(iv) Since handling of cash is not involved in such cases, the agent will issue a receipt of the documents from the cheque receipt book with suitable remarks and hand it over to the investor as per normal procedure. Particulars of the matured deposit / certificates which is / are to be reinvested will be written in place of cheque number on the receipt.

(v) In case of re-investment of Rs.50,000/- or more, instructions to get PAN No. of declaration in Form-60 or 61 should be strictly followed.

2. This procedure may be followed in all savings schemes except in case of re-investment of Rs. one lac or more in Sr. Citizen Savings Scheme where investment can only be made by crossed cheque.

3. This may kindly brought to the notice of all post offices.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
ASP(SB&SC)

Copy to:-

1. DDG (FS)/ DDG(VIG)/JS&FA
2. Director (Fgn.Post & Mkt) O/o CPMG T.N Circle.
3. Director of Audit (P&T), Delhi.
4. All Directors/Dy. Directors of Accounts, Postal
5. Director, Postal Staff College, Ghaziabad.
6. All Directors, Postal Training Centers.
7. ADG(BS)/ ADG(CB)/ADG(SBC)
8. AD Inspection/Vigilance/Postal Accounts Section
9. All Accounts Officers ICO(SB)/ A.O (FS) Postal Directorate.
- 10 All recognized Staff Unions and Associations.
- 11 Min. of Finance (DEA) NS-II section, North Block, New Delhi.
- 12 PS to Member (Tech)
- 13 PPS to Secretary (P).

No.113-01/2010-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110016.

Date: 30.07.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- **Operating procedure for opening and operating Old Age Pension account under IGNOAPS, Widows Pensioner Account under IGNWPS and Disabled Pensioner Account under IGNDPS**

Sir / Madam,

The undersigned is directed to refer to this office SB Order No. 9/2010 dated 18.5.2010 vide which Min. of Finance GSR No. 748(E) dated 13.10.2009 was circulated. Though the detailed conditions to open and operate these accounts are given in the tables provided in the notification but still references are being received from circles to circulate operating procedure to open and operate these types of accounts. Therefore, the procedure has been prepared and given below:-

Opening and operating of Accounts

(i) All the three Schemes i.e IGNOAPS, IGNWPS and IGNDPS are centrally sponsored schemes but operation of these schemes has been left to the States. Therefore, for opening of accounts under these schemes, existing procedure for opening of Zero Deposit accounts under NREGA will be followed and in case of Job Card, copy of PPO issued by the State/District authority is required for opening of account. PPOs issued in the name of these schemes can only be accepted for opening of accounts under these schemes.

(ii) **Required KYC/CDD documents are also required to be taken and it will be the duty of Branch/Sub/Head Postmaster to verify the particulars given in PPO with the CDD/KYC documents.**

(iii) No account should be opened without producing valid PPO in the name of one of these schemes.

(iv) Separate block numbers should be given to all the three types of accounts.

(v) SOs working on Manual system shall maintain separate ledgers, SS Books for these accounts and prepare separate LOT.

(vi) Computerized SOs/HOs working on system software shall use NREGA data entry module after allotting separate block numbers to open accounts. In place of Job Card number, PPO number should be entered alongwith date of expiry if given.

(vii) **No deposit other than pension released by State Government shall be accepted.**

(viii) No withdrawal shall be allowed after expiry of PPO, deletion of name of depositor from the BPL list due to demise or any other reason and if the credited amount is not withdrawn within a period of 90 days of credit. In such cases, the account shall be closed and amount outstanding shall be refunded to the concerned State/Distt. Authorities. SDC Chennai will provide option in the DB Analyzer to print a report of such accounts as and when required. Post offices working in manual mode shall prepare a list of such account on the first working day of each month and close the accounts after filling SB-7A by the SPM.

(ix) Account will not be transferred from one post office to another.

2. For the purpose of operating procedure given in point (viii) above, Circle Office shall decide the mode and periodicity of remittance of amount of accounts closed to State Government after consulting the concerned authorities of the State Government.

3. This may kindly brought to the notice of all post offices and ensure that this procedure is followed scrupulously particularly bold and underlined points.

4. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
9. AD /Inspection/PF/Vigilance
10. All Accounts Officers ICO(SB)
11. All recognized unions.
12. MOF(DEA), NS-II, North Block, New Delhi
13. PS to Member (T)
14. PPS to Secretary Posts.

No.110-01/2010-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110016.
Date: 20.08.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- **Closure/Premature closure of accounts- revision of format of account closure form SB-7A regarding.**

Sir / Madam,

The undersigned is directed to refer to this office **SB Order no. 11/2006** dated 25.5.2006 vide which formats of revised **SB-7 and SB-7A forms** were circulated and **SB Order No. 23/2006** dated 19.9.2006 vide which **formats of both SB-7 and SB-7A were further revised**. Prior to this, the application for SB withdrawal and closure was identical in the shape of SB-7 and this was giving the agents an opportunity to get application form signed by the depositor for withdrawal of monthly interest in MIS and later on fraudulently closing the account without the knowledge of the depositor. **Even after 4 years of introduction of Account Closure form i.e SB-7A, it is still being reported that such types of frauds are going on and this form is not readily available in many post offices of the country.**

2. To further safeguard the interest of depositors, it has been decided to rename the Account Closure Form as **“Account Closure/Premature Closure Form- SB-7A”**. In all future printing, only the revised name may kindly be printed on the same. There is no other change in the formats of either SB-7 or SB-7A circulated on 19.9.2006. **Specimen of the SB-7A with new name is enclosed for ready reference.**

3. It is further informed that in post offices where SB-7A form is not available, a separate written application for closure or premature closure should be taken from the depositor on plain paper and signature on this application should also be compared with the specimen signature. No account should be closed either on maturity or before maturity i.e in case of premature closure, on presenting SB-7, without written application from depositor(s) clearly stating that he/she wants closure/premature closure. The written application should be attached with SB-7. So far as possible, payment at the time of premature closure or closure should be given to the depositor him/herself only. Orders regarding making payment by crossed cheque or credit into savings account of the depositor in case of maturity value or amount at the time of premature closure becoming Rs. 20,000/- or more should be strictly followed.

4. In rare cases of exigency, the payment can be given to messenger also but the same should be made by crossed cheque only. **No cash payment should be given to the messenger at the time of premature closure or closure of an account.**

4. This may kindly brought to the notice of all PSDs for the purpose of printing and post offices for strict implementation and may be ensured that this procedure, particularly bold and underlined points, is followed scrupulously.

5. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl:- one

Copy to:-

1. CPMG West Bengal Circle w.r.t his D.O.Letter No.SB/R-1876/MIS/Ch.II dated 14.7.2010 addressed to DDG(FS) and copy to Member(Tech.).
2. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
3. Director (Tech) O/o Pr. CPMG T..N Circle.
4. Director (FS)/Director (CBS), Dak Bhawan.
5. Director of Audit (P&T), Delhi.
6. All Directors/Dy. Directors of Accounts, Postal
7. Director, Postal Staff College, Ghaziabad.
8. All Directors, Postal Training Centres.
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
- 10.AD /Inspection/PF/Vigilance
- 11.All Accounts Officers ICO(SB)
- 12.All recognized unions.
- 13.MOF(DEA), NS-II, North Block, New Delhi
- 14.PS to Member (T)
- 15.PPS to Secretary Posts.

No.114-01/2002-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110016.

Date: 20.08.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- **Printing of new account opening form (SB-3) circulated in 2008.**

Sir / Madam,

The undersigned is directed to refer to this office SB Order No. 18/2008 vide which Gazette Notification No. GSR 504(E) dated 7.8.2008 was circulated on 21.8.2008 through which Min. of Finance (DEA) had amended the account opening form Form-1 i.e SB-3.

2. This office is receiving references about the size and thickness of paper for printing this form. It has been decided that the form should be printed in A-4 size folded paper with thickness not below 70 GSM. The Page 1 and 2 (front and back) will be in English and Page 3 & 4 (front and back) will be in Hindi. The form can also be used by downloading and printing from web site of India Post as well as by photocopying the same on normal A-4 size paper. Specimen of form is enclosed. Since the form is a notified one by Min. of Finance, the design and language of the same cannot be altered.

3. This may kindly brought to the notice of all post offices for strict implementation and may be ensured that this is followed scrupulously.

4. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl:- Specimen

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. **Director PTC Mysore with the request to provide specimen of SB-7A on India Post Web Site.**
8. All Directors, Postal Training Centres.
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
10. AD /Inspection/PF/Vigilance
11. All Accounts Officers ICO(SB)
12. All recognized unions.
13. MOF(DEA), NS-II, North Block, New Delhi
14. PS to Member (T)
15. PPS to Secretary Posts.

No.79-01/2010-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110016.
Date: 20.08.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- **Admissibility of interest after death of depositor before maturity in case of SCSS-2004 account- amendment to sub rule 3 of Rule 8 of SCSS-2004 rules regarding.**

Sir / Madam,

The undersigned is directed to say that this office was receiving references to clarify the rate of interest admissible in case of death of depositor before maturity of a SCSS account since the same was not specified in sub rule 3 of Rule 8 of SCSS-2004 rules. The matter was referred to Min. of Finance (DEA) which has now amended this rule. The amended rule is as under:-

“8(3) In case of death of a depositor before maturity, the account shall be closed and deposit refunded on an application in Form ‘F’ alongwith interest applicable to the scheme till the date of death on which the depositor expired, to the nominee or legal heir in case the nominee has also expired or nomination as provided in rule 6 was not made, as the case may be. For the period between the day of following the date of death of the depositor and the date on which refund is made, simple interest shall be paid at the rate applicable from time to time to savings accounts as provided in Rule 6 of Post Office Savings Accounts Rules 1981”.

2. The copy of Gazette Notification No. G.S.R.639(E) dated 28.7.2010 issue vide MOF(DEA) F.No.2-8/2004-NS-II is enclosed. This amendment shall come into force from 28.7.2010.

3. This may kindly brought to the notice of all post offices for strict implementation and may be ensured that this is followed scrupulously.

4. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl:- one

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.

7. All Directors, Postal Training Centres.

8. Director PTC Mysore for uploading the SB order on India Post Web Site.

9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.

10.AD /Inspection/PF/Vigilance

11.All Accounts Officers ICO(SB)

12.All recognized unions.

13.MOF(DEA), NS-II, North Block, New Delhi

14.PS to Member (T)

15.PPS to Secretary Posts.

No.109-04/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110116.

Dated: 24.08.2010

MOST IMPORTANT

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Introduction of Anti-Money Laundering (AML)/Combating of Financing of Terrorism (CFT) norms for small savings schemes- fresh instructions and clarifications regarding.

Sir / Madam,

The undersigned is directed to refer to this office letter of even number dated 23.4.2010 (SB Order No.8/2010) and dated 2.6.2010 (SB Order No.10/2010) on the subject and to say that on receipt of various references from the field units as well as public/agent associations/depositors/investors etc. the existing instructions and guidelines were reviewed. To clear the ambiguity on the subject, it has been decided to issue fresh guidelines which shall supersede earlier guidelines issued on 23.4.2010 and 2.6.2010. **Therefore in supersession of this office letter of even number dated 23.4.2010 and 2.6.2010, revised guidelines on the subject are appended to this order.**

2. On implementation of this order, maintenance of register as per Rule 37 of POSB Manual Vol-I, maintenance of Customer Identification File and Customer Identification Number (CIN) and maintenance of register in EDBOs which were prescribed vide earlier orders shall be discontinued.

3. Some circles have pointed out that in rural areas, getting photograph or photocopy is very difficult. It is requested that head of the division may make any local arrangement for taking photographs or photocopies at the departmental cost particularly when account opening in bulk is done e.g during specially organized SB Melas or camps etc.

4. It is pertinent to mention that under the Prevention of Money Laundering Act, Department is under legal obligation to implement the AML/CFT norms circulated by Min. of Finance (DEA).

5. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl. Annexure-A

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
- 8. Director PTC Mysore for uploading the SB order on India Post Web Site.**
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
10. AD /Inspection/PF/Vigilance
11. All Accounts Officers ICO(SB)
12. All recognized unions.
13. MOF(DEA), NS-II, North Block, New Delhi
14. PS to Member (T)
15. PPS to Secretary Posts.

ANNEXURE-A

GUIDELINES TO BE FOLLOWED FOR POSB/SC ACCOUNT/CERTIFICATE HOLDERS WITH EFFECT FROM THE DATE OF RECEIPT OF THIS ORDER.

For the purpose of implementation of the provisions on Prevention of Money Laundering (PML) Act 2002 and rules made under this act, Ministry of Finance, Department of Economic Affairs (Budget Division) has formulated following norms for Prevention of Money Laundering (PML) and Combating of Financing Terrorism (CFT) in Small Savings Schemes.

Under PML/CFT, the deposits under various small saving schemes have been classified into three categories:-

Category 1: The account holders having balance below Rs.50,000/- in all types of accounts opened in their name and in the name of minor(s) where they are the guardians and certificate holders having investment below Rs.50,000/- in all types of certificates issued in their name and issued in the name of minor(s) where they are the guardians.

Category 2 : The account holders having balance between Rs.50,000/- and Rs.10 lakh in all types of accounts opened in their name and in the name of minor(s) where they are the guardians and certificate holders having total investment between Rs.50,000/- and Rs.10 Lakh in all types of certificates issued in their name and issued in the name of minor(s) where they are the guardians.

Category 3 : The account holders having balance above Rs.10 lakh in all types of accounts opened in their name and in the name of minor(s) where they are the guardians and certificate holders having investment above Rs.10 Lakh in all types of certificates issued in their name and issued in the name of minor(s) where they are the guardians.

All post offices has to follow following guidelines for Customer Due Diligence, Record Keeping and Reporting in respect all types of accounts/certificates:-

1. Customer Due Diligence/Know Your Customer (KYC) norms

(a) Following CDD/KYC norms should be strictly followed in case of opening of new accounts/purchase of certificates fallen under the different categories:-

Category	Documents to be obtained while opening the account or issuing certificate
Category 1 Account opened or certificates issued with amount below Rs.50,000/-	<ol style="list-style-type: none"> 1. Recent Photograph 2. Identity Proof: Copy of any one of the documents i.e Electoral Photo Identity card, Ration Card, Passport, Driving License, POSB Identity card, Post Office Identity Card, Identity card from Central/State Government or PSU e.g PPO, BPL card, Job card issued under MG-NREGA. 3. Address Proof:- Copy of any one of the documents i.e Electoral Photo Identity Card, Bank or Post Office Passbook, Current Electricity Bill, Current Telephone Bill or Certificate from any public authority including area Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster.
Category 2 Account opened or certificates issued with amount between Rs.50,000/- and Rs.10 Lakh	<ol style="list-style-type: none"> 1. Recent Photograph 4. Identity Proof: Copy of PAN card or letter issued by Income Tax Authority quoting PAN Number or Declaration in duplicate in Form 60 or 61 and Copy of any one of the documents i.e Electoral Photo Identity card, Ration Card, Passport, Driving License, POSB Identity card, Post Office Identity Card, Identity card from Central/State Government or PSU e.g PPO, BPL card, Job card issued under MG-NREGA. 2. Address Proof:- Copy of any one of the documents i.e Electoral Photo Identity Card, Bank or Post Office Passbook, Current Electricity Bill, Current Telephone Bill or Certificate from any public authority including area Postman or Gram Dak Sewak Delivery Agent or Branch Postmaster.
Category 3 Account opened or certificates issued with amount above Rs.10 Lakh	<ol style="list-style-type: none"> 1. Recent Photograph 5. Identity Proof: Copy of PAN card or letter issued by Income Tax Authority quoting PAN Number or Declaration in duplicate in Form 60 or 61 and Copy of any one of the documents i.e Electoral Photo Identity card, Ration Card, Passport, Driving License, Identity card from Central/State Government or PSU e.g PPO, BPL card, Job card issued under MG-NREGA. 2. Address Proof:- Copy of any one of the documents i.e Electoral Photo Identity Card, Bank or Post Office Passbook, Current Electricity Bill, Current Telephone Bill. 3. Source of Funds:- Copy of the document proving source from which funds received. 4. Physical verification of address:- Address of all such customers should be got verified from State Govt./Gram Panchayat/Postman of that area or GDS Delivery Agent or PRI or SDI or Mailoverseer before opening of account. This should also be followed in case of opening of account by transfer from other office.

Note 1:- In case where the account/certificate holder is a minor, the norms shall be applicable to the guardian. In case of joint account, the norms will be applied for all the joint account/certificate holders.

Note 2:- In case of HO and SO, only two photographs shall be taken but in case of EDBO, three photographs shall be taken. In case of joint account, joint photograph of all the depositors shall be taken.

(b) At the time of opening of account/ Purchase of certificates, it will be mandatory for the depositor(s)/investor(s) to attend the post office personally to get his/her/their photograph attested, documents verified with originals and give the copies of documents either attested by a Gazetted Officer or with self attestation. In case of Joint Accounts/investments, Joint photograph and documents of all co-depositors or investors are required to be submitted.

(c) It is the duty of Counter PA or BPM and Supervisor or SPM (in case of single handed SO) to take and verify the required documents, attest Photograph, tally name of the depositor(s) with name shown in the ID proof and record in witting on Account Opening Form or Purchase application as “ KYC Documents verified & attached”.

(d) In HPOs, KYC Documents should be attached with Account opening form or Purchase application. In case of accounts opened at SOs of SB/TD/PPF, KYC documents will be received by SBSO alongwith account opening form and preserved in SBSO in guard files. In case of accounts opened at EDBO in account with HO, documents will be received alongwith account opening form and preserved in the guard file of other account opening forms of HO itself.

(f) In SOs, KYC Documents shall be attached with Account Opening forms and purchase applications. Account opening forms of SB/TD and PPF shall be sent to HO alongwith KYC Documents. SOs shall paste one photograph of the depositor(s) on SS Book and SPM shall write under dated signatures on the SS Book in red ink” KYCD taken’

(g) In EDBO, GDSBPM shall take KYC Documents, verify with original, attest photograph and send account opening form to Account Office alongwith KYC documents. He will paste one photo in SS Book and shall write under dated signatures on the SS Book in red ink” KYCD taken. He will keep one photograph with him and after receipt of passbook from AO, paste the same on passbook, attest it and hand over to the depositor.

(h) In case of depositor/investor approaching the same post office for another account opening or purchase of certificates either directly or through agent who has already given CDD/KYC documents, there is no need to take these documents again unless the GDS BPM/SPM or Postmaster has any suspicion about him.

(i) In case of (h) above, the depositor or investor has to write account number or registration number of certificates through which CDD/KYC documents were given earlier. For this, in place of photograph in Account Opening form or on the top of purchase application, the depositor shall write under dated signatures as “ KYC Documents already submitted vide A/C or Registration No._____ dated_____.” If the depositor is carrying the passbook or certificates of that account or registration in original or photocopy, the BPM/SPM/Postmaster shall verify from these documents, the name and address of the depositor or investor and attach the photocopy if available with the depositor/ investor or the BPM/SPM/Postmaster shall verify the name and address of the depositor/investor from the Account Opening form or Purchase Application or SS Book (in case of SO and EDBO) and put remark in red ink on the fresh Account opening form or Purchase Application “ KYCD already taken and verified” under his dated signatures.

(j) CDD/KYC documents are also required to be taken in the existing accounts or certificates when there is a suspicion of money laundering or terrorist financing or when there is doubt about the veracity or adequacy of previously obtained customer identification data.

2. Record Keeping

All long books and List of Transactions either available in hard copy or in soft copy should be preserved for 10 years. All ledger cards or account details either available in hard or soft copy, Account Opening Forms with CDD/KYC documents and SS Books should be preserved for 10 years after closure of the account.

3. Reporting

Following is the new schedule for reporting transactions:-

Types of transactions

- (a) All cash transactions more than Rs.10 Lakh.
- (b) All series of cash transactions which are less than Rs.10 lakh but are integrally connected and are carried out within one month period and totally exceed Rs.10 Lakh.
- (c) Any account where cash is accepted and forged or counterfeit currency notes are used or where forgery of valuable Security or documents has taken place.
- (d) Any attempted transaction involving forged or counterfeit currency notes, forged security or document.
- (e) All suspicious transactions, involving deposit withdrawal, transfer of account, solvency certificate/ Idemnity certificate etc. irrespective of the amount of transaction.

Definition of suspicious transaction:-

Suspicious Transaction means a transaction referred in clause (v), including an attempted transaction, whether or not made in cash which, to a person acting in good faith-

- (i) gives rise to a reasonable ground of suspicion that it may involve proceeds of an offence specified in the schedule to the Act, regardless of the value involved: or
- (ii) appears to be made in circumstances of unusual or unjustified complexity : or
- (iii) appears to have no economic rationale or bonafide purpose; or
- (iv) give rise to a reasonable ground of suspicion that involve financing of the activities relating to terrorism;
- (v) **'Transaction'** includes deposit, withdrawal, exchange or transfer of funds in whatever currency, whether in cash or by cheque, payment order or other instruments or by electronic or other non-physical means.

Reporting schedule

Types of Transactions	Method of Monitoring of transactions.
<p>Cash Transactions (CTR)</p> <p>(a) All cash transactions more than Rs.10 Lakh.</p> <p>(b) All series of cash transactions which are less than Rs.10 lakh but are integrally connected and are carried out within one month period and totally exceed Rs.10 Lakh.</p>	<ol style="list-style-type: none"> 1. Incharge of every departmental post office will be personally responsible for preparation of list of transactions (deposit/issue/withdrawal/discharge) and will be responsible for sending this list to Head of the Division on monthly basis on 3rd working day of the subsequent month. 2. Head of the Division will be personally responsible for sending post office wise list of such transactions of his division to head of circle by 5th working day of the subsequent month. 3. Head of the circle will be responsible for sending the consolidated post office-wise list of such transactions to Principal Officer at Directorate.* by 8th working day of the subsequent month.
<p>Suspected Transaction (STR)</p> <p>(c) Any account where cash is accepted and forged or counterfeit currency notes are used or where forgery of valuable Security or documents has taken place.</p> <p>(d) Any attempted transaction involving forged or counterfeit currency notes, forged security or document.</p> <p>(e) All suspicious transactions, involving deposit withdrawal, transfer of account, solvency certificate/ Idemnity certificate etc. irrespective of the amount of transaction.</p>	<ol style="list-style-type: none"> 1. Incharge of every departmental post office will be personally responsible for preparation of list of transactions (deposit/issue/withdrawal/discharge) and will be responsible for sending this list to Head of the Division on monthly basis on next working day. 2. Head of the Division will be personally responsible for sending post office wise list of such transactions of his division to head of circle by next working day of the receipt of STR from PO. 3. Head of the circle will be responsible for sending the consolidated post office-wise list of such STRs to Principal Officer at Directorate.* by next working day of receipt of STR from D.O.

Note:- It is likely that in some cases transactions are abandoned/aborted by customers on being asked to give some details or to provide documents. All such attempted transactions should also be reported like STRs irrespective of the amount of the transaction and even if the transaction is not completed by the customer.

4. Instructions for CDD/KYC when depositor shifts from Category I to 2 or 3 after either subsequent deposit or investment.

(a) On noticing of customer shifting from Category (1) to (2), copy of PAN Card or letter issued by Income Tax Authority quoting PAN Number or Declaration in duplicate in Form 60 or 61 should be taken and attached with Account Opening form or purchase application form.

(b) On noticing of customer shifting from Category (1) to (3) or (2) to (3), copy of PAN Card or letter issued by Income Tax Authority quoting PAN Number or Declaration in duplicate in Form 60 or 61, copy of source of funds and physical verification of residential address as prescribed for Category (3) accounts should be taken and attached with Account Opening form or purchase application form.

5. Instructions for existing account/certificate holders

Types of precautionary measures to be taken	Detailed procedure
CDD/KYC	<ol style="list-style-type: none"> 1. In case of, difference in signatures of depositor/holder at the time of payment of a transaction of the amount of Rs.50,000/- or above, full CDD/KYC documents should be taken as prescribed for category 1 for the new account/certificate holders. 2. In case of transfer of account/certificate of either existing or new account/certificate, full CDD/KYC documents as required for opening of new accounts (based on the balance at the time of transfer) should be taken. This will be applicable to local transfers also.
Record keeping	Same procedure should be followed as prescribed for new account/certificate holders
Reporting	In case of existing account/certificate holders also, the reporting procedure as prescribed for new account/certificate holders will be followed.
Suspected transaction	In case of any suspected transaction of an existing account/certificate holder, report should immediately be sent through the same channel as prescribed for new account/certificate holder.

No.112-05/2010-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110116.

Date: 20.09.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- **Opening of Joint Sr. Citizen Savings Scheme Account with Spouse- a clarification regarding.**

Sir / Madam,

The undersigned is directed to say this office has received a reference from one VIP on the subject and it has been brought to the notice of the hon'ble MOC&IT that in some areas of the country, people does not understand the word 'Spouse' due to which many Sr. Citizen Savings Scheme Joint accounts have been opened jointly with near relatives like son, brother, nephew Etc. and on noticing the concerned post office has declared such accounts as irregular and started recovery of interest already paid.

2. This is being brought to your kind notice that in SCSS-2004 Rule, definition of Spouse has not been given. The concept of Joint Account with spouse was informed by Min. Of Finance (DEA) through the clarifications issued by MOF(DEA) vide O.M.No. F.2-8/2004-NS-II dated 13.10.2004 which was further circulated vide DG Posts letter no. 79-8/20040FS (Vol. III) (Pt.) dated 19.10.2004 (SB Order No. 18/2004). **The exact definition of Spouse is "either husband or wife."**

3. This office has received a few such cases for converting into single account which when referred, have been approved by the MOF(DEA). It is requested that if any such case in any post office is noticed, that may be sent to this office in the prescribed format of regularization immediately.

4. This may kindly brought to the notice of all post offices for strict implementation and may be ensured that this is followed scrupulously.

5. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
9. AD /Inspection/PF/Vigilance
10. All Accounts Officers ICO(SB)
11. All recognized unions.
12. MOF(DEA), NS-II, North Block, New Delhi

13.PS to Member (T)
14.PPS to Secretary Posts.

SB ORDER NO. 20/2010

No.107-02/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110016.

Date: 21.09.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- **Deduction of TDS, filing of TDS return and issue of TDS certificate-regarding.**

Sir / Madam,

The undersigned is directed to refer to this office SB Orders issued on the above subject from time to time. **This order will supersede all the previous orders issued on TDS in small savings schemes.**

2. There are two small savings schemes which are covered under the TDS regime. First is NSS-87 for which provisions of Section 194EE of the Income Tax Act are applicable. The second is SCSS-2004 for which provisions of Section 194A are applicable. Department is also liable to deduct TDS on the commission paid to agents appointed under SAS, MPKBY and PPF schemes for which provisions of Section 194H are applicable. Detailed provisions under above three categories are given below:-

(i) **NSS-87 (Section 194EE)**

As per Section 194EE, the person responsible for paying to any person any amount exceeding Rs.2500/- in a financial year has to deduct TDS @ 20%. No TDS is to be deducted if the payee gives declaration in Form 15-G that the tax on his estimated total income of the previous year in which such income is to be included in computing his total income will be NIL. In case of Sr. Citizens of the age of 65 years or above age, declaration should be in Form 15-H. These declarations can be given only if the total amount receivable does not exceed the maximum amount which is not chargeable to income Tax i.e Rs.1,60,000/- in case of individuals, Rs. 1,90,000/- in case of women and Rs.2,40,000/- in case of persons of 65 years or above age. No surcharge or education cess and Secondary education cess is to be charged. The tax is to be deducted at the time of payment either in cash or by cheque or by credit into savings account or by any other mode whichever is earlier.

(ii) **Sr. Citizen Savings Scheme (Section 194A)**

As per Section 194A, any person who is responsible for paying interest other than interest on Securities to a resident shall be required to deduct tax at source @ 10% if the amount of interest exceeds Rs.10,000/- in a financial year. No TDS is to be deducted if the payee up to the age of 65 years gives declaration in Form 15-G that the tax on his estimated total income of the previous year in which such income is to be included in computing his total income will be NIL. In case of Sr. Citizens of the age of 65 years or above age, declaration should be in Form 15-H. These declarations can be given only if the total amount of interest receivable does not exceed the maximum amount which is not chargeable to income Tax i.e Rs.1,60,000/- in case of individuals, Rs. 1,90,000/- in case of women and Rs.2,40,000/- in case of

persons of 65 years or above age. No surcharge or education cess and Secondary education cess is to be charged. TDS is to be calculated on whole amount of interest paid if the same exceeds Rs.10,000/- in a financial year. The tax is to be deducted at the time of payment either in cash or by cheque or by credit into savings account or by any other mode whichever is earlier.

(iii) **Agent Commission (Section 194H)**

As per Section 194H, any person who is responsible for paying to a resident, by way of commission, shall at the time of payment either in cash or by cheque or by credit into savings account or by any other mode whichever is earlier, deduct income tax at the rate of 10% if the total amount of commission in a financial years exceeds Rs.5000/-.

(iv) **Rate of TDS if certificate under Section 197 is produced.**

If a certificate from Assessing Officer under Section 197 is produced, the payee shall deduct TDS @ mentioned in the certificate or shall not charge any TDS if the same is exempted in the certificate.

3. **Deposit of TDS, filing of TDS return and issue of TDS certificate.**

(i) **Deposit of TDS**

As per Notification No. 41/2010[F.No.142/27/2009-SO(TL)] dated 31.5.2010, from 1st April 2010, TDS deducted by Government Department has to be deposited by Book Entry Challan in the form of a statement in Form No.24G within ten days from the end of the month to the agency authorized by Director General of Income Tax (Systems) in respect of tax deducted by the deductors and reported to him for the month and intimate the number (Book Identification number) generated by the agency to each of the deductors in respect of whom the sum deducted has been credited.

(ii) **Filing of TDS return**

All tax deductors have to file Quarterly return. In case of TDS deducted from NSS/SCSS depositors and agent's commission, return has to be filed in Form 26Q. The time schedule of filing return for the TDS deducted after 1.4.2010 is as follows:-

Sl.No.	Date of ending of the quarter of the financial year	Due Date
1	30 th June	15 th of July
2	30 th September	15 th October
3	31 st December	15 th January
4	31 st March	15 th May of the Financial Year immediately following the financial year in which deduction is made.

(iii) **Filing of e-returns of Tax deducted on or after 1st April 2010.**

(a) As per Notification No. 41/2010[F.No.142/27/2009-SO(TL)] dated 31.5.2010, in case TDS deductor is an office of Government, e filing of return is compulsory. The tax collector at the time of preparing statements of tax deducted shall:-

- (i) quote his tax deduction and collection account number (TAN) in the statement.
- (ii) quote Permanent Account Number (PAN) of all collectees.
- (ii) furnish particulars of the tax paid to the Central Government including Book Identification Number.

(b) For preparation of e-TDS return, the return should be prepared in one of the authorized media i.e Floppy, CD-DOM or on-line transmission of electronic data to a server designated by e-filing Administrator. The file should be as per data structure given by the e-filing Administrator. Each computer media used for preparing the e-return should be labeled. The label should indicate Name, Permanent Account Number and address of e-deductor.

(c) As per CBDT Press Release No. 402/92/2006-MC (27 of 2010), dated 2.6.2010, Government Authorities (Pay and Accounts Officer or Treasury Officer or Cheque Drawing and Disbursing Officer) responsible for crediting tax deducted at source to the credit of Central Government by book-entry are now required to electronically file monthly statement in a new form No.24G containing details of credit of TDS to the agency authorized by Director General of Income Tax (Systems).

(iv) **TDS Certificate**

Form in which certificate of TDS deducted is required to be issued **quarterly** is Form 16A in case of NSS/SCSS and Commission paid to agents. The format of form 16A has been revised vide CBDT Notification No. 41/2010 [F.No. 142/27/2009-SO(TPL)] dated 31.5.2010. The certificate has to be prepared in two copies i.e original copy for payee and duplicate as office copy. Duplicate copy of TDS certificate can be issued with same details as in the original if original is lost on making application by the depositor/agent. On duplicate certificate, "DUPLICATE" should be clearly marked on top in bold letters. It has now become mandatory to specify the following information in the Form 16A:-

- (a) Valid TAN no. of the deductor
- (b) Book Identification Number.
- (c) Receipt number of the Form 24G
- (g) DDO Sequence number in the Book Adjustment Mini Statement.

TDS certificate has to be issued on quarterly basis from 1.4.2010 and due date for issue of TDS certificate is now within 15 days from the due date for furnishing the quarterly statement of TDS. This certificate should be prepared and handed over to the customer or agent within this specified period. If the customer/agent failed to receive the certificate personally, it should be sent to customer/agent by ordinary post at the last available address.

4. Penalties

Following are the provisions of penalties in various Sections of Income Tax Act:-

Sl.No.	Section	Contents	Penalty
1	271C	Non deduction of tax at source	Equal to the tax not deducted at source
2	272A(2)(f)	Form 15G/Form 15H not delivered to the Income Tax department	Rs.100/- per day but penalty not to exceed the amount of tax deductible.
3	272A(2)(g)	Failure to issue TDS Certificate	Rs.100/- per day of default subject to

			maximum of the tax deducted.
4	272A(2)(k)	Non submission of quarterly Statement	Rs.100/- per day of default subject to maximum of tax payable.
5	272B(2)	Non-intimating PAN to tax deductor.	Rs. 10,000/-
6	272BB(1)	TAN not obtained	Rs.10,000/-
7	272BB(1A)	Quoting false TAN	Rs.10,000/-

5. **Collection of PAN or deduction of higher rate of TDS.**

As per CBDT Press Release No. 402/92/2006-MC(04 of 2010) dated 20.1.2010;

(i) a new provision relating to tax deduction at source (TDS) under Income Tax Act 1961 will become applicable from 1st April 2010 according to which Tax at the higher rate of the prescribed rate or 20% will be deducted on all transactions liable to TDS, where the Permanent Account Number(PAN) of the deductee is not available.

(ii) all deductors are liable to deduct tax at the higher rate in all transactions not having PAN of the deductees on or after 1st April 2010. All deductors are advised to intimate their deductees to obtain and furnish their PAN so as to avoid TDS at the higher rate.

6. **Birds Eye view of TDS provisions.**

Sl.no.	Section & payment	Deductor	Payee	Threshold Limit	Rate%
1	194A(SCSS)	Any person other than individual	Resident	Rs.10,000/-	10%
2	194EE(NSS-87)	Person responsible for paying amount	Any person	Rs.2500/- in a financial year.	20%
3	194H(commission to agents)	Any person	Any person	Rs.5000/- with effect from 1 st July 2010 in a financial year.	10%

Note:-

SCSS-2004

No TDS is to be deducted if the payee up to the age of 65 years gives declaration in Form 15-G that the tax on his estimated total income of the previous year in which such income is to be included in computing his total income will be NIL. In case of Sr. Citizens of the age of 65 years or above age, declaration should be in Form 15-H.

NSS-87

No TDS is to be deducted if the payee gives declaration in Form 15-G that the tax on his estimated total income of the previous year in which such income is to be included in computing his total income will be NIL. In case of Sr. Citizens of the age of 65 years or above age, declaration should be in Form 15-H.

Limit for submitting Declaration

The above declarations can be given only if the total amount receivable does not exceed the maximum amount which is not chargeable to income Tax i.e Rs.1,60,000/- in case of individuals, Rs. 1,90,000/- in case of women and Rs.2,40,000/- in case of persons of 65 years or above age.

7. Points for immediate Action

Following actions are required to be taken immediately:-

(i) A notice should be pasted on the notice board placed at public hall of each post office for intimation to the NSS/SCSS account holders and agents in the following language:-

(1) All NSS/SCSS Account holders who have not given declaration either in Form 15G or 15H, are requested to provide their PAN number to the Postmaster immediately failing which TDS at higher rates or 20% shall be deducted at the time of withdrawal/closure of NSS-87 or payment of quarterly interest of SCSS accounts on 30.9.2010.

(2) All SAS/MPKBY/PPF agents whose commission in financial year 2010-11 is likely to cross Rs.5000/- should intimate their PAN number to the postmaster by 30th September 2010 failing which TDS @ 20% shall be deducted at the time of payment of next commission at source.

Note:- Higher rate will be higher of the following:-

- (a) at the rate specified in the relevant provision of this Income Tax Act 1961; or
- (b) at the rate or rates in force; or
- (c) at the rate of twenty (20%) percent.

(ii) PAN numbers of all above mentioned account holders and agents should be recorded and quoted at the time of preparation of monthly statement in Form 26Q.

(iii) Obtain BIN (Book Identification number) from the agency authorized by DG of Income Tax (Systems) and mention the same in TDS certificate.

(iv) Divisional/Regional/Circle offices should contact officers of Income Tax Department and understand the procedure for electronically filing of monthly statement in Form 24G, quarterly return in Form 26Q, generation of DDO registration number, Book Identification Number and receipt number of monthly statement etc.

(v) All SOs are to quote PAN number of each depositor or agent from whom TDS is deducted in the daily schedule to be sent to HPO.

(vi) All SOs shall prepare schedule of TDS deducted on daily basis in the following format:-

Schedule of tax deducted on the interest paid in SCSS accounts or from NSS-87 accounts onat.....HO/SO

Sl.No	Name of depositor	Account number	Amount of interest paid in SCSS/withdrawal from NSS-87	Tax deducted Rs.	Permanent Account Number (PAN)	Remarks
1	2	3		4		5
Total						

Date / Stamp

Signature of SPM

- a) The schedule will be prepared in triplicate in sub offices and two copies will sent to HO alongwith forms 15 G and 15 H in support of amount charged in the daily account and SO account. The third copy of the schedule will be filed in a separate guard file to be opened for

each financial year. In the Head Office the consolidated schedule will be prepared in triplicate incorporating the transactions of the HO and sub offices as a whole.

- b) The amount of tax deducted will be shown on the receipt side in all the account records under a separate head "Tax deducted on the interest paid in SCSS accounts/W/D from NSS-87."

(vii) Similar schedule is also required to be sent to HO by SOs in case of commission paid to agents in the following format:-

Schedule of commission paid and Tax deducted (TDS) from the agents on..... at..... SO

Sl.No.	Name of agent	Permanent Account Number (PAN)	Account number/certificate Registration number	Amount invested	Amount of commission paid	Tax deducted Rs.	Remarks
1	2	3	4	5	6	7	8
Total							

Date / Stamp

Signature of SPM

(viii) HO shall prepare consolidated schedules including HO as well as SOs transactions of SCSS accounts/NSS-87 withdrawal/agent commission paid from which TDS was deducted separately and on the basis of this schedule file monthly/quarterly return of TDS deducted electronically.

(ix) TDS certificates in new Format of Form-16A will be prepared by each HO and forwarded to concerned SOs on quarterly basis.

This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl:- Format of 24G, 26Q and revised Form 16A

Copy to:-

- 1. DDG(PAF) with the request to issue necessary instructions to all DDOs for filing e-TDS returns on monthly/quarterly basis as required vide CBDT latest circulars.**
2. DDG(FS)/DDG(VIG)/JS&FA//DDG(RB))
3. Director (Tech) O/o Pr. CPMG T..N Circle.
4. Director (FS)/Director (CBS), Dak Bhawan.
5. Director of Audit (P&T), Delhi.
6. All Directors/Dy. Directors of Accounts, Postal
7. Director, Postal Staff College, Ghaziabad.
8. All Directors, Postal Training Centres.
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
10. AD /Inspection/PF/Vigilance
11. All Accounts Officers ICO(SB)
12. All recognized unions.
13. MOF(DEA), NS-II, North Block, New Delhi
14. PS to Member (T)
15. PPS to Secretary Posts.

No.113-10/2004-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110116.

Date: 26.11.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- **Amendment to Post Office Savings Account Rules 1981- deletion of provision for opening of Single Savings Account by an authority controlling a Provident Fund, Superannuation Fund or Gratuity Fund on behalf of its individual members.**

Sir / Madam,

The undersigned is directed refer to this office letter of even number dated 12.7.2010 vide which it was requested to identify the existing accounts under the above categories and issue notices to the authorities controlling such funds to close their accounts.

2. Kindly find attached Notification issued by Min. of Finance (DEA) issued vide F.No. 7/12/2005-NS-II GSR No. 882 (E) dated 3.11.2010 vide which clause (e) under column 2 of 'Single Account' under the heading " A. Individual Accounts" in Post Office Savings Account Rules 1981.

3. It is requested that all such accounts if not yet closed, should be immediately closed with interest up to 31.10.2010 and balance should be refunded to the concerned authority.

4. A certificate will be sent by all Head Postmasters by 15th December 2010 to their Divisional Heads that all such accounts have been closed. Divisional Heads will furnish the same certificate to Regional/Circle Office by 21st December 2010 which will send the certificate for the circle as a whole to this office by 31st December 2010.

5. This may kindly brought to the notice of all post offices for strict implementation and may be ensured that this is followed scrupulously.

6. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl-Notification.

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. **Director CEPT, PTC Mysore for uploading the SB Order in Department's Web Site.**
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
10. AD /Inspection/PF/Vigilance
11. All Accounts Officers ICO(SB)
12. All recognized unions.
13. MOF(DEA), NS-II, North Block, New Delhi
14. PS to Member (T)
15. PPS to Secretary Posts.

No.109-04/2007-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110116.
Date: 30.11.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- **Introduction of Anti-Money Laundering (AML)/Combating of Financing of Terrorism (CFT) norms for small savings schemes- fresh instructions and clarifications regarding.**

Sir / Madam,

The undersigned is directed refer to this office letter of even number dated 24.8.2010 (SB Order 18/2010)vide which revised guidelines for implementation of KYC norms under PMLA were circulated. **On receipt of various references from the field units as well as Agent Associations and general public, clause (b) and (c) of Para No.1 of the Annexure 'A' enclosed with SB Order 18/2010 have been amended to exempt personal presence of the depositor(s)/Investor(s) at the time of opening of account/purchase of certificates.** Modified clauses are as under:-

Revised Para 1/ clause (b) and (c)

(b) At the time of opening of account/ Purchase of certificates, it should be ensured that all KYC documents including photograph have either been self attested or attested by the Gazetted Officer. If the account is opened through agent or certificate are purchase through agent, the concerned agent should also attest the documents including photograph by putting dated signatures alongwith agency number. In case of Joint Accounts/investments, Joint photograph and documents of all co-depositors or investors are required to be submitted.

(c) It is the duty of Counter PA or BPM and Supervisor or SPM (in case of SO) to see that all KYC documents have attestation as per clause (b) and tally the photograph with the Photo ID. They should also tally name of the depositor(s) with name shown in the ID proof and record in witting on Account Opening Form or Purchase application as " KYC Documents verified & attached".

4. This may kindly brought to the notice of all post offices for strict implementation and may be ensured that this is followed scrupulously.

5. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. **Director CEPT, PTC Mysore for uploading the SB Order in Department's Web Site.**
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
10. AD /Inspection/PF/Vigilance
11. All Accounts Officers ICO(SB)
12. All recognized unions.
13. PS to Member (T)

No.32-01/2010-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001.

Date: 13.12.2010

To
All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Closing of PPF(HUF) accounts on maturity- an amendment to Paragraph (9) of PPF Scheme 1968.

Sir / Madam,

The undersigned is directed to say that as per GSR 286(E) dated 13.5.2005 circulated vide SB Order 10/2004 dated 23.6.2005, only individuals can open PPF account from 13.5.2005. A further clarification was issued vide then DDG(FS) D.O.letter No. 113-10/2004-SB dated 5.9.2005 and again reiterated vide SB Order No. 20/2005 dated 14.11.2005 vide which it was conveyed that existing PPF accounts opened in the name of HUF would continue till maturity and enjoy all facilities available under earlier rules but their maturity period cannot be extended further after 13.5.2005. Therefore the present position of PPF(HUF) accounts is:-

- **PPF accounts opened in the name of HUF prior to 13.5.2005 cannot be further extended after maturity and no further deposit can be accepted in such accounts after maturity.**

2. Now, MOF(DEA) vide GSR 956 (E) dated 7.12.2010 (F.No. 7/4/2010-NS-II dated 7.12.2010) has amended **Paragraph 9 of PPF Scheme** rules by adding a provision below **Sub-paragraph (3)** of this Paragraph according to which, from 7.12.2010, the position of PPF accounts opened in the name of HUF prior to 13.5.2005 will be as follows:-

- **PPF accounts opened in the name of HUF prior to 13.5.2005 will be closed on maturity i.e 31st March of the 16th Financial Year from the year in which account was opened. No further interest will be admissible.**
- **PPF accounts opened in the name of HUF prior to 13.5.2005 but have already been matured but not yet closed, shall be closed on 31st March 2011 after which no further interest shall be admissible.**

3. Copy of amendment issued by MOF(DEA) is enclosed. It is requested that this amendment should be circulated to all post office handling PPF scheme and above matter given in bullet points should be displayed on the Notice Boards of these Post Offices. It is also requested that strict instructions should be issued to all postal staff at the counters to see the passbook at the time of deposit of subscription in PPF accounts and not to accept deposits in such accounts. Any overpayment of interest if made shall be the responsibility of the counter PA and the Supervisor.

4. This issues with the approval of DDG(FS).

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl:- one

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF)
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. AD /Inspection/PF/Vigilance/Postal Accounts Section
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
- 10.All Accounts Officers ICO(SB)
- 11.All recognized unions.
- 12.MOF(DEA), NS-II, North Block, New Delhi
- 13.PS to Member (T)
- 14.PPS to Secretary Posts.

SB ORDER NO. 24/2010

No.113-3/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 21.12.2010

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- Reinvestment of maturity value of one scheme to same or another scheme- a revised procedure regarding.

Sir / Madam,

The undersigned is directed to refer to this office SB Order No.13/2010 dated 26.7.2010 issued on the above noted subject. In the light of subsequent SB Orders issued on AML/CFT norms, procedure of re-investment has been reviewed and it has been decided to revise the same from 1.1.2011.

The revised procedure is given below:-

Procedure of direct reinvestment

If a customer wants to reinvest the maturity value of one small savings scheme into another scheme or multiple schemes either in full or part thereof, he/she has to attend the post office personally and submit necessary documents for closure of account or discharge of certificates and account opening forms/purchase applications of the intended amount to be re-invested. He/She has to also submit one application in manuscript(in the enclosed format) mentioning the detail of instrument maturing, total maturity value and detail of amount he/she intends to re-invest in different schemes. Postmaster while accepting application for re-investment and Account Opening forms/Purchase applications will ensure that the customer has attached all required KYC/CDD documents with one of the account opening form or purchase application. If he/she has already provided CDD/KYC documents then he will ensure that reference has been given in the account opening/purchase application forms. The counter PA and supervisor shall verify the particulars mentioned in the account opening/purchase application forms with KYC/CDD documents attached/already supplied and record remarks on each account opening form/purchase application as "KYCD taken/already taken vide Account

No./Registration No.,.....dated..... The Supervisor will maintain a Guard File for keeping the applications of re-investment and Serial number will be assigned on each application starting from day one. The Counter PA of computerized post office will click payment by cheque option in account closing/discharge of certificate screen and write words "Reinvestment Sl. No.....".(Sl. No. of the Re-investment application). Non-computerized post offices will also maintain the same guard file and remarks of re-investment will be recorded in the LOT/Issue/Discharge Journal of the concerned schemes.

Procedure of Reinvestment through agent

In case of redeposit made in TD account under Sub Rule (3) of Rule 6 of POTD Rules 1981 in which redeposit is made retrospectively from the date of maturity, the re-deposit through agent is not admissible. However, the agents are entitled to get commission on re-investments in all small savings schemes except above. For this purpose, procedure to be followed is given below:-

(i) As per latest orders issued on AML/KYC norms, personal presence of the depositor is not necessary and agent has to attest KYC/CDD documents in addition to self attestation of attestation by Gazetted Officer. The agent will produce application for re-investment signed by the customer where the customer will mention name and agency number of the agent to whom matured instrument he/she has handed over and detail of intended amount of re-investment with names of schemes. Signature of the customer on the application will be compared by the counter PA as well as Supervisor/SPM with that on record. In this application the customer will authorize Postmaster to hand over remaining amount and new instruments to the agent. Remaining procedure as mentioned above will be followed in computerized as well as non-computerized post offices.

(iv) Since handling of cash is not involved in such cases, the agent will issue a receipt of the documents from the cheque receipt book with suitable remarks and hand it over to the investor as per normal procedure. Particulars of the matured deposit / certificates which is / are to be reinvested will be written in place of cheque number on the receipt.

(v) As no cash handling is involved in case of re-investment, provision of getting PAN No. or declaration in Form-60 or 61 need not be enforced.

2. This procedure may be followed in all savings schemes except in case of re-investment of Rs. one lac or more in Sr. Citizen Savings Scheme where

investment can only be made by crossed cheque. Balance amount if remains below Rs. 20,000/- may be paid by cash to the depositor or agent and if becomes Rs. 20,000/- or above should either paid by cheque in favour of depositor and cheque handed over to agent under receipt or credited into savings account of the depositor if account stands in the same post office.

(Contd.....)

3. This order will supersede all previous orders issued on this subject and may kindly brought to the notice of all post offices.

4. This issues with the approval of DDG(FS)

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl:- Format of application for re-investment

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. **Director CEPT, PTC Mysore for uploading the SB Order in Department's Web Site.**
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
10. AD /Inspection/PF/Vigilance
11. All Accounts Officers ICO(SB)
12. All recognized unions.
13. PS to Member (T)

APPLICATION FOR RE-INVESTMENT OF MATURITY VALUE

To

The Sr.Postmaster/Postmaster/Sub Postmaster,

_____ Post Office

Sir,

My following accounts /Certificates standing in the books of your post office are going to mature on _____ Detail of the maturing instruments is given below:-

Sl.No.	Account No./Certificate Registration No.	Scheme	Maturity Value
Total			

I want to invest/re-invest Rs. _____ in to the following scheme(s) as per detail given against each direct/through authorized agent Sh _____ whose agency No is. _____.

Sl.No.	Name of Scheme	Amount	Account No./Registration No. (to be filled by post office)
	Total amount invested		
	Balance amount (if any)		

It is requested that Passbooks/Certificates of invested amount and balance amount if any may kindly be returned to me/to my agent by cheque/credit into my savings account No. _____ standing at your post office.

(The New Account opening form/ Certificate purchase form dully filled along with the relevant documents are attached)

Signature or thumb impression of Depositor(s)

Date:-

Note:- In case of illiterate depositor, thumb impression should be attested by a literate witness whose name and address should be got noted.

For the use of Post Office

Balance amount Rs. _____ paid by cash/
Cheque No _____ or credited into savings account number _____
on _____

(Signature of PM/APM/SPM)

RECEIPT TO BE GIVEN BY AGENT

Received Cheque for Rs. _____.

[Signature of Agent].

Serial No. _____ (to be entered by post office)

Date Stamp of Post Office

No.113-7/2008-SB
Government of India
Ministry of Communications & IT
Department of Posts

Dak Bhawan, Sansad Marg,
New Delhi-110001, Dated: 23.12.2010

To

All Heads of Circles/Regions
Addl. Director General, APS, New Delhi.

Subject:- New procedure for payment of amount of Savings Bank/Certificates in the name of deceased depositors/holders- replacement of Rule 87 of POSB Manual Vol-I and Rule 50 of POSB Manual Vol-II regarding.

Sir / Madam,

The undersigned is directed to say that this office was receiving number of complaints of abnormal delay in settlement of deceased claim cases of POSB as well as certificates particularly where there is no nomination or legal evidence. To minimize the complaints and to facilitate the claimants for early settlement of claim cases, the whole procedure laid down in Rule 87 of POSB Manual Vol-I and Rule 50 of POSB Manual Vol-II has been reviewed.

2. During the review, it is found that the present procedure being adopted is very old and cumbersome due to which post offices are taking time to settle the claims. **It has been decided to devise a new procedure which will replace the existing procedure laid down in Rule 87 of POSB Manual Vol-I for SB Accounts (all schemes except SCSS & PPF) and Rule 50 of POSB Manual Vol-II for certificates.** Main features and major changes made are given below:-

POSB Accounts

- Form of preferring claim has been revised. New Claim form has been devised.
- There will be only one Claim Form for all the three types of claims i.e (a) with nomination (b) with legal evidence (c) without legal evidence. SB-84 claim form will be discontinued. In case of no nomination/legal evidence, the claimant has to

produce three documents i.e a) Affidavit (b) Letter of Indemnity and (c) Letter of disclaimer on Affidavit as prescribed in SCSS-2004 by MOF(DEA).

- No separate sanction memo will be issued and no Account closure Form will be required after sanction as both these options are available in the claim form itself.
- **Proof of death is to be given by the claimant in original after which no further enquiry is required to be done by the sanctioning authority.**
- Claimant has to give two witnesses on the claim form and his/her ID as well as Address proof along with claim form. After acceptance of witnesses by BPM/SPM/PM or Sr. PM on the claim form, no further enquiry will be required to be done about genuiness of claimant by the sanctioning authority.
- Every Post Office where the claim will be preferred has to forward the claim to the post office where the account stands by service Insured post on the very day of its receipt.
- The post office where the account stands, on receipt of the claim either directly or by Insured Post will issue acknowledgment to the claimant on the same day and settle the case within 7 working days if the claim falls under its financial powers or forward the same to the sanctioning authority by service Insured Post on the day of its receipt.
- Every administrative office will dispose off the claim case within 7 working days of the receipt of the same.
- **Responsibility will be fixed for delay in settlement beyond 7 working days.**
- Taking a Proof of death in original, two witnesses, ID and Address proof of the claimant and three legal documents i.e (a) Affidavit (b) Letter of Indemnity and (c) Letter of disclaimer on Affidavit will be the safe procedure to absolve the post office from any legal responsibility.
- All payments of deceased claim cases will be made by crossed cheque only.

Savings Certificates

- Present Claim forms in case of Nomination and Legal evidence have been retained.

- SB-84 has been discontinued and in case of no nomination or legal evidence, the claimant has to submit the new prescribed form alongwith three legal documents as prescribed in case of SB accounts.
 - All other features will be same as of POSB Accounts.
3. **This may kindly brought to the notice of all post offices. This new procedure will be applicable from 1.1.2011 or from the date of receipt of this order.**
4. This issues with the approval of Secretary Posts.

Yours faithfully,

(Kawal Jit Singh)
Assistant Director (SB)

Encl:- Revised Rule 87 of POSB Manual Vol-I and Rule 50 of POSB Manual Vol-II which will replace the earlier one.

Copy to:-

1. DDG(FS)/DDG(VIG)/JS&FA/DDG(PAF/DDG(RB))
2. Director (Tech) O/o Pr. CPMG T..N Circle.
3. Director (FS)/Director (CBS), Dak Bhawan.
4. Director of Audit (P&T), Delhi.
5. All Directors/Dy. Directors of Accounts, Postal
6. Director, Postal Staff College, Ghaziabad.
7. All Directors, Postal Training Centres.
8. **Director CEPT, PTC Mysore for uploading the SB Order in Department's Web Site.**
9. A.D (Tech), SDC Chennai O/o CPMG T.N.Circle, Chennai.
10. AD /Inspection/PF/Vigilance
11. All Accounts Officers ICO(SB)
12. All recognized unions.
13. PS to Member (T)

87. PAYMENT OF THE AMOUNT OF SAVINGS BANK ACCOUNTS IN THE NAME OF DECEASED DEPOSITORS.

(1) Basis of Settlement of claims :- The claim to the amount of Savings Bank Accounts standing in the name of deceased depositor may be made on the basis of:-

- (a) Nomination**
- (b) Legal evidence**
- (c) Without the production of legal evidence at the discretion of sanctioning authority up to the limit fixed by Min. of Finance which is Rs. 1,00,000/- at present.**

If the claim exceeds the prescribed limit which is now Rs. 1,00,000/-, the claimant should be advised to obtain a succession certificate from a competent court of law or produce the probate of a will or letters of Administration of Estate of the deceased.

Note 1 :-Claims relating to Savings Bank Accounts and Savings Certificates shall be treated as separate and the prescribed limit shall be applied separately for each account or purchase application.

Note 2 :-When a minor on whose behalf a guardian has opened an account dies. The account will be dealt with as a claim case.

(2) Account in respect of which nomination exists. (i) In case the deceased depositor of the Savings Bank Account has made a nomination and registered the same with the post office, the nominee/nominees of the deceased depositor are entitled to receive the amount at credit of the deceased depositor immediately after the death, irrespective of the amount, without production of legal evidence.

(ii) The claimant should be advised to submit the claim in the prescribed form specimen of which is given below (without annexures) alongwith proof of death of the deceased depositor and that of any nominee if also died, issued by appropriate authority, in original. If there are two or more surviving nominees, they may claim jointly or separately. The claim should be preferred in the office where account stands. If the claim is preferred any other post office, the BPM/SPM/PM/Sr. PM should accept the witnesses and forward the case along with all documents to the post office where account stands by service Insured Post on the day of its receipt.

FORMAT

FORM FOR CLAIM OF BALANCE IN THE SAVINGS BANK ACCOUNT OF
DECEASED DEPOSITOR

Application for closure of Savings/RD/CTD/TD/MIS/NSS Account by Nominee(s)/Legal heirs
To

The Sr.Postmaster/Postmaster/Sub Postmaster
..... (Name of Post Office)

To

The Sr. Postmaster/Postmaster/Sub Postmaster
.....(name of the Post office)
.....

Subject: - Application for withdrawal /closure of account.

Sir,

I/We*

.....
.....
..... the
nominee(s)/legal heirs of
late.....the depositor of the
Savings/RD/CTD/TD/MIS/NSS Account No.....standing
at.....Post Office wish to withdraw the entire amount standing to
the credit of the deceased in the said account including interest admissible as per
rules.

Please find enclosed:-

(i) An original certificate to the death of the Depositor.

*(ii) An original Certificate in regard to the death of Shri/
Shrimati.....and Shri/Shrimati..... also the
nominee(s) appointed by the Depositor.

** (iii) Succession Certificate/Letter of Administration/ Probate of will of the deceased
depositor issued under the provisions of the Indian Succession Act, 1925.

(iv) Pass Book of the Depositor.

@(v) Letter of Indemnity.

@(vi) Affidavit.

@(vii) Letter of disclaimer on affidavit

Signature or thumb impression of claimant(s)/Legal heirs

Date:-

Place:-

Witness:-

(1).....(Signature))..... Name and address

(2).....(Signature))..... Name and address

FOR USE OF POST OFFICE

Witness Accepted.

Signature of Sr.PM/PM/SPM/BPM
With Designation Stamp

Withdrawal of Rs.(Rs.....)
is sanctioned which pertains to balance in the account of deceased inclusive of interest
admissible as per rules.

Signature of Sr.PM/PM/SPM
With Designation Stamp

Received cheque No.....dated.....for a sum of
Rs.....(Rupees.....) from
..... (name of Post office) as per details furnished above, in full settlement of our
claim.

Date:

Place:

Signature / Thumb impression of the claimant(s)

*** Delete whichever is not applicable.**

**** Strike off if there is a valid nomination.**

**@ To be produced by legal heirs, in the absence of nomination(s) for claims upto prescribed limit
of Rs. 1 lakh.**

ANNEXURE-I
(Letter of indemnity)

To
The Postmaster,
..... (Name of the Post office)

In consideration of your payment or agreeing to pay me /
us.....[name(s) of legal heir(s)] the sum of
Rs..... (Rupees.....) standing in the
account No.....under.....(name of scheme) with your office
in the name ofwithout production of
letters of administration or a succession certificate to the estate of the
deceased.....(name of the depositor),
I/We.....and we.....
..... (sureties) do hereby for ourselves
and our heirs, legal representatives, executors and administrators jointly and severally undertake
and agree to indemnify you and your successors and assigns against all claims, demands,
proceedings, losses, damages, charges and expenses which may be raised against or incurred
by you by reason or in consequence of having agreed to pay/or paying me/us the sum as
aforesaid.

In witness whereof we have hereunto set my/our hands at this.....day
of.....in the presence of witnesses,

Signed and delivered by the above named
heir/heirs of the deceased.
Signed and delivered by the above named sureties
(Signature, names and address)

1.

2.

Signature, names and address of witnesses:

1.

2.

ATTESTED

NOTARY PUBLIC

ANNEXURE-II
(Affidavit)

To
The Postmaster,
.....(Name of the Post office)

I / We.....Husband of / wife of
late.....aged.....aged.....aged.....sons/
daughters of the said
late.....resident
of.....do hereby declare and solemnly
affirm as under :-

(1) That I / we am/are the only heir(s) of the deceased.....who
died at..... on..... I / We alone represent the estate
of Shri/Smt.....

(2) That the deceased.....did not leave any Will and
therefore I / We are the only successor(s) to the estate of the said deceased.

- 1.
- 2.
- 3.

DEPONENTS

Verification: I / We, the above-named deponents do hereby verify on solemn affirmation
in..... (name of place) that the contents of this affidavit are true to the
best of my/our knowledge and nothing material has been concealed.

Dated.....

- 1.
- 2.
- 3.

DEPONENTS

ATTESTED

OATH COMMISSIONER

ANNEXURE-III
(Letter of disclaimer on Affidavit)

To
The Postmaster,
.....(Name of the Post office)

I / We (i)Husband of / wife ofResident
of.....

(ii)son/daughter of

(iii)son/daughter of

do hereby declare and solemnly affirm as follows :-

- (1) That Shri/Smt.....died intestate on leaving behind us.....his/her only heirs.
- (2) That we.....heirs of our late father/mother for ourselves and on behalf of our heirs, executors, representatives and assigns to hereby relinquish our claims to the balance of Rs.....in Account No.....of.....(name of scheme) standing at.....(name of post office) in the name of the estate of the said..... deceased and we have no objection whatsoever in the balance in the above-referred account together with interest, if any, accrued thereon being paid by the Post office to Mrs./Mr.....

- 1.
- 2.
- 3.

DEPONENTS

VERIFICATION: I / We, the above-named deponents do hereby verify on solemn affirmation that the contents of this affidavit are true to the best of my/our knowledge and nothing material has been concealed.

Dated.....

- 1.
- 2.
- 3.

DEPONENTS

I identify the deponent(s) who is/are personally known to me and who has/have signed in my presence.

Dated.....

Oath Commissioner

(iii) Where the sum due on a Savings Bank Account is payable to two or more nominees, and either or any of them dies, the balance shall be paid to the surviving nominees or nominee. **On the death of the last surviving nominee or the sole nominee, the claim in respect of the account will be settled in favour of the legal heir of the last deceased nominee and not in favour of the LEGAL heir of the deceased depositor.**

(iv) If any of the nominees is a minor on the death of the depositor, the application for claim shall be made by a person appointed by the depositor in the nomination form under sub section (3) of Section 4 of Government Savings Banks Act, 1873 or if no such person has been appointed, by his guardian.

(v) On receipt of the claim form at the post office where account stands, the Postmaster will verify the claim with nomination register, and if the claim is in order, issue a sanction for payment of the balance to the nominee(s) making a suitable note in the register of nominations, application for nomination and ledger folio. The nominee(s) should be satisfactorily identified by taking ID proof and address proof before payment is made. **No separate account closure form is required to be taken and receipt of the amount should be taken in the claim form itself at the time of payment which will be treated as account closure voucher. Photocopy of this form should be kept in the claim case file as office copy.** Where there is more than one surviving nominee, payment may be made to the nominee(s) who want(s) to take payment of his/their share(s) leaving the share(s) of the other

nominee(s) in the account. In that case, the Postmaster should detain the pass book and issue notice to the other nominee(s) intimating the fact of payment to the nominee(s) who has/have taken payment and calling upon him/them to take payment of his/their share(s) and the availability of the pass book with the post office. The pass book will be entered in the register of undelivered pass books in deposit in the Head Office and will be disposed of like other pass books in deposit. Where the payment is made by a sub office, the pass book will be forwarded by the sub office to the Head Post Office for safe custody.

Note 1 :-The Time Scale S.P.M..can sanction the claim only up to the limit for which he is competent irrespective of whether there is a nomination or whether the claim is supported by the legal evidence or not. In cases where there is nomination or legal evidence and the amount exceeds the powers of the Time Scale S.P.M, the claim shall be sanctioned by the Head Postmaster concerned after necessary scrutiny of the documents to whom such cases will be referred by the sub postmaster. In case of RD/MIS, all SPMs except those posted in single and double handed post offices can sanction claims irrespective of any balance if nomination is registered in their office. In SCSS, all SPMs can sanction claims irrespective of the amount in balance if nomination is registered.

Note 2 :- The Sub Postmasters will sanction the claim after verification of the balance in the account and particulars of nomination from the records of the Head Post Office. This procedure will also be adopted by the Divisional Superintendents while sanctioning the claims.

Note 3 :-The post office is required to give precedence to the nominee over all other persons staking claims on the amount while settling deceased claims cases and such payment to the nominee absolves the post office from all future liability in respect of the deposit. However, if any legal heir preferred claim on the basis of a Succession Certificate, Probate of Will or Letter of Administration of the deceased estates issued by any court of law before sanctioning of claim in favour of nominee, claim shall be settled in favour of Succession Certificate/Probate of Will or Letter of Administration holder.

(3) Claims supported by legal evidence:- When a claim is received supported by legal evidence such as succession certificate under the Indian Succession Act, 1925 or a Probate of will or Letter of administration of the deceased estate and there is no nomination, the claimant will be requested to prefer claim in the same form prescribed for claim on the basis of nomination by striking out the irrelevant portion. The claim should be sanctioned by the Head Postmaster even if the claim is preferred before the expiry of the period of three months from the date of death of the depositor and irrespective of the amount involved without reference to the Superintendent of post offices or the Head of the Circle. There will be no necessity of making further enquiries either as to the fact of death or the date of death of the depositor. The Postmaster will, however, before making payment, identify of legal heir by taking ID proof and address proof before payment is made. **No separate account closure form is required to be taken and receipt of the amount should be taken in the claim form itself at the time of payment which will be treated as account closure voucher. Photocopy of this form should be kept in the claim case file as office copy**

Explanation :-For the purpose of determining the sanctioning authority, the term “**balance**” shall mean the balance at credit of the account of the deceased depositor on the date of death to which interest already accrued during the preceding years has been added but excluding the interest for the current year.

Note 1 :- Time Scale Sub Postmasters can sanction claims where there is nomination or where there is legal evidence only up to the limits prescribed for them vide para (4)(ii). Other cases should be referred by them to the Head Postmasters concerned who have the full powers to sanction such claims irrespective of the amount where there is a nomination or legal evidence.

Note 2 :- In case the claimant is unable to produce the original legal evidence in support of his claim, he may, at his own cost, produce certified copies of the documents from the Public Officer having the custody of such documents. If there is any difficulty in producing certified copies, he may produce attested copies of such documents along with the originals for comparison by the sanctioning authority who should pass remark on the attested copies of such documents that he has examined the original and found the copy to be correct. The claimant may also produce these documents to any other responsible Postal Officer for the purpose of attestation under his signature and seal.

(4) Claims without production of legal evidence :-

(i) If a person who is not a nominee and has not produced any of the legal evidences mentioned in para (3) above, wanted to prefer a claim, the Postmaster/Sub Postmaster will supply him copy of the same claim application form used for the purpose of preferring claim in case of nomination is registered alongwith specimen of Annexures i.e (i) a Letter of indemnity, (ii) an Affidavit, (iii) a Letter of disclaimer on Affidavit.

. If the claimant resides in a village, he may be asked to seek necessary guidance from the nearest Sub Postmaster to whom a copy of the letter forwarding the application form may be endorsed.

Note 1 :-The Claim Application Form must be filled in by the person who is entitled under the law (vide Sections 8 and 15 of the Hindu Succession Act, 1956, in case of persons governed by that Act, Mohammedan Law in case of a Muslim and Indian Succession Act, 1925 in case of Christians and others).

Note 2 :-The claimant will be requested to submit the following documents along with the claim application.

- (a) The pass book or receipt of the pass book.
- (b) Original Death Certificate/Proof of Death of the deceased issued by competent Authority.
- (c) A guardianship certificate on behalf of the minor relatives of the deceased depositor (if the claimant is not a guardian under the law applicable to him).
- (d) (i) a Letter of indemnity, (ii) an Affidavit, (iii) a Letter of disclaimer on Affidavit duly attested by authorities mentioned therein.

(ii) The authorities mentioned below are competent to sanction claims without production of legal evidence upto the limit noted against each after the expiry of three months from the date of death of the depositor if no succession certificate or probate of will or letter of administration of the deceased estate is produced during the period or up to the date of sanction.

Sl.No.	Name of authority	Limit in (Rs.)
1	Time Scale SPMs	1000
2	SPM in LSG(norm based)	5000
3	SM/DPM/PM in HSG (all non Gazetted)	5000
4	DPM/Sr, PM/Dy. Chief PM/SPO's (all Gaztted group-B)	20000
5	Chief Postmasters in HO/SSPO's (all Gazetted group-A)	50000
6	Regional Director/ Director GPO (in Mumbai and Kolkata)	75000
7	Chief Postmaster General/Postmaster General (HQ and Region)	1,00,000

(iii) Cases presenting special features, such as lacuna in rules etc. should not be disposed of as a matter of course and all such cases should be referred to the Directorate for orders. In cases of settlement of claims by authorities other than Head

Postmaster, the claims should first be referred to the Head Postmaster concerned for verification of the balance before further action is taken to settle the claim.

Note 1 :-The power for sanctioning claims beyond Rs. 10,000 will be exercised personally by the officers mentioned against items (4) to (7) of the Table.

Note 2 :- where there is no nomination and the claimant has not produced probate of will or letter of administration of estates or succession certificate within three months of the death of the depositor, the amount due in the account may be determined as "The amount at credit at the time of death of the depositor plus the interest accrued thereon up to the end of the financial year preceding the year in which the death occurred".

Note 3 :-For reviving the silent account in the name of the deceased depositor, the copy of the sanction admitting the claim will be treated as application for revival. It will be sent to the SBCO/Postmaster along with the pass book for issuing necessary sanction for the revival.

Note 4 :-When it is necessary to revive or revise a sanction for payment of deceased depositor's balance in the Savings Account, the reviving or revising authority may permit payment of interest on the balance upto the month preceding the month of revival or revision of the sanction provided it is satisfied that the delay was entirely beyond the control of the claimant.

Note 5 :-The Gazetted Postmaster will sanction all deceased claim cases in respect of savings and other accounts for sub offices under his jurisdiction which are beyond the powers of the S.P.Ms. No such case need be sent to the Divisional Superintendent for this purpose.

(v) The competent authority will sanction the claim without reference to the higher authority unless the claim is of doubtful or contested nature or has been made on the behalf of a married female minor or on behalf of a minor by a person other than the natural guardian or guardian appointed by a Court of Law. The competent authority must in such cases make the necessary inquiries and record the result in the prescribed form before forwarding it to the higher authority. The sanctioning authority will scrutinize the claim application to see that :-

(a) The particulars of the savings or other account are correctly filled in wherever they occur and have been verified by the Postmaster.

(b) The Postmaster has accepted the witnesses on the claim application.

(c) ID Proof and Address proof of the claimant(s) have been attached.

(d) An original death certificate (proof of death) from the appropriate authority accompanies the claim application and it is in order.

(e) Annexures attached to the claim application have been duly attested by authorities mentioned therein.

(f) A certificate about the release of pledge from the pledgee accompanies if the account is pledged. If the pledgee claims the amount in full or in part, payment will be made to him to the extent of his claim. Action for the settlement of the claim will arise only if the pledge is released in full or in part.

(vi) If any defect of consequence is noticed, the competent authority will address the claimant direct to complete the documents giving him the necessary guidance. If the witnesses are accepted by Sr. Postmaster/Postmaster or Sub Postmaster, ID and Address proof of the claimant and Death proof in original issued by the appropriate authority and Annexures attached to the claim form duly attested by the authorities mentioned therein are attached, no further verification is required to be done.

(5) Production of death certificate:-

- (i) Death certificate in original from a Municipality/Local authority, hospital or police station in the form prescribed by the authority for the grant of such certificate will be accepted.
- (ii) When death occurs at a place where none of the institutions or authorities as mentioned above exist, a certificate of death in original from a Gazetted Officer, an M.P., M.L.A. or Panchayat Officer or Mukhia / Village Police Patel may be produced.
- (iii) An original certificate from the last employer or the Doctor or Hakim who last attended the deceased in case where the balance does not exceed Rs. 250/- may also be accepted.
- (iv) The certificate of death in original issued by the Parsee Panchayat and Burial Certificate in original issued by the Church authorities may be accepted if such certificate cannot be had from a Municipality or other local authority or hospital or police station or Registered Doctor.

(6) Guidelines for sanctioning authorities :-

- (i) Sub Section (4) of Section 4-A of Government Savings Banks Act, 1873 vests the various sanctioning authorities with full discretion to pay to whosoever appears to them be entitled to receive the sum due to a deceased depositor under the circumstances mentioned therein and gives the department immunity from a bonafide wrong payment.
- (ii) The competent authority should satisfy himself from the two witnesses and ID along with Address proof of the claimant regarding genuiness of the claim before payment and no further enquiries are to be made. **No separate account closure form is required to be taken and receipt of the amount should be taken in the claim form itself at the time of payment which will be treated as account closure voucher. Photocopy of this form should be kept in the claim case file as office copy.**
- (iii) In clear cases of minor claimants where natural guardians have preferred the claim, payment will be made to them without insisting upon production of Guardianship Certificate.
- (iv) If the pass book of the deceased depositor is not forthcoming, the circumstances of the case should be reported to the Head of the Division for orders whether the account may be closed without production of the pass book. If the account is ordered to be closed without the production of the pass book, the procedure prescribed in Rule 43(3) should be followed mutatis mutandis.

(7) Payment to minor claimants:-

- (a) Where the claimant is a minor nominated by the depositor, payment of the sum may be made to the person appointed in the nomination to receive it. In case there is no such person or there is no nomination in favour of the minor claimant, payment of the balance may be made to the guardian.
- (b) Guardian in relation to a minor means :-
 - (i) Father or mother; and
 - (ii) Where neither parent is alive, or where the only parent is incapable of acting, a person entitled under the law for the time being in force to have the care of the property of the minor.
- (c) The person withdrawing the balance from the account on behalf of the minor shall furnish a certificate that the minor is alive and that the money is required on behalf of the minor.

Note 1 :- As per definition of the guardian in the P.O.S.B. Rules, guardian in relation to a minor or a person of unsound mind means father or mother. In view of this the mother of Muslim minor can be treated as a guardian for the purpose of settling the

claims of deceased depositor where the interest of Muslim minor is involved. As the mother has been made the guardian of the minor irrespective of the fact whether the heir of the depositor is a Hindu or Muslim, such a payment to the mother would be a valid discharge within the meaning of section 5 of the Government Savings Banks Act, 1873.

Note 2 :-The payment to a minor directly and not through a guardian will not be a valid discharge under section 5 of the said Act.

(8) Settlement of claim of deceased depositor in whose name Provident Fund Account has been opened:

In the event of death of a depositor in whose name a provident fund account has been opened under Rule 4 (4) of Post Office Savings Accounts Rules, 1981, the total amount standing to his credit will be drawn by the authority controlling the Provident Fund. In such cases, claim application, etc. will not be necessary.

(9) Settlement of claims where the claimants or near relatives are residing abroad :-

(i) Where the claimant or a near relative named in the claim resides in a foreign country, the procedure as applicable to other claims is to be followed except that the claim from a person residing in a foreign country, letter of disclaimer from a person residing in a foreign country, death certificate issued in a foreign country and the power of attorney executed in a foreign country, if any, should have the authentication by the Indian Consular Office in that country, if reciprocal arrangements under Section 14 of the Notaries Act, 1952 do not exist between India and that country. Authentication means that the authenticating official has assured himself of the person who has signed the instrument, as well as the fact of execution. In case India has no consular relations with the country and no other foreign nation has been entrusted with the task of looking after the interest of India or of the people of Indian origin there, the authentication should be done by a Magistrate of that country. Submission of above documents alongwith claim application duly authenticated by the Indian Consular office is the duty of the claimant.

(ii) Reciprocal arrangements under Section 14 of Notaries Act, 1952 exist between India and the United Kingdom, Hungary, Ireland, Belgium and New Zealand only. The documents executed before a Notary in any of these countries do not require authentication by the Indian Consular office in that country.

(iii) Payment of the claim to a claimant residing in a foreign country will be made to the holder of a power of attorney in India. No direct remittance will be made to the claimant in the foreign country.

(10) Payment of claim :-

(i) While admitting the title, the claimant will be informed that it is not incumbent on him to receive payment of the amount due before maturity of the RD/TD account. He can get the account transferred to his name in accordance with the procedure laid down in the relevant rules.

(ii) The claimant will present the sanction in original along with the pass book. Necessary action will be taken as for the closure of savings account. **No separate account closure form is required to be taken and receipt of the amount should be taken in the claim form itself at the time of payment which will be treated as account closure voucher. Photocopy of this form should be kept in the claim case file as office copy.** Payment of the claim to a claimant residing in a foreign country will be made to the holder of a power of attorney in India. No direct remittance will be made to the claimant in a foreign country.

Note 1 :- The interest on the balance of the savings account will be paid up to the close of last month preceding the month in which sanction is issued. Interest will also be allowed from the beginning of the month in which sanction is issued up to the close

Note:- After issue of sanction, the status in the computer or register should be uploaded/updated.

(13) Maintenance of Register of Deceased claim cases: - As soon as Claim Form alongwith required documents is received in the post office where the account stands, entry should be made in the register of deceased claim cases format of which is given below. In order to keep a watch on the expeditious disposal of claim cases this register should be maintained by all the sanctioning authorities (including the circle office). The register will be examined every month by the Head of the Office or Section to see that no case is being unduly delayed and such action as may expedite, is taken immediately. **All deceased claim cases irrespective of the nomination registered or not, should be sanctioned/disposed off within 7 days of the receipt of the same in any post office or administrative office. All inspecting officers while visiting/inspecting any post office or administrative office should examine this register to see that no case is delayed beyond 7 days and if any such case is noticed, separate report should be sent to higher authority for fixing responsibility.**

SPECIMEN OF FORM
Performa for the Register of Deceased claim cases.

Sl.No.	Case mark	Date of receipt of Claim Form	Name and address of claimant with particulars of relationship to the depositor,	Name of deceased depositor	Date of death
1	2	3	4	5	6

Particulars of Savings Bank Account	Balance at credit in the account	Date on which Claim Form sent to higher authority for sanction	Date of receipt of sanction from higher authorities with particulars of sanction/Date of sanction	Date of payment/Particulars of cheque issued.	Remarks if any
7	8	9	10	11	12

(14) Procedure to be followed by Extra Departmental Sub and Branch Post Offices :-

(a) The GDS Sub Postmaster will in all cases submit the claim application along with connected documents to the Head Postmaster after certifying that the account stands opened in his office and accepting the two witnesses. An entry regarding the claim will be made in ledger/journal against the last transaction and no withdrawal will be allowed till the claim is settled by the competent authority.

(b) The GDS branch postmaster will in all cases submit the claim to the Account Office. He will take action as prescribed in (a) above before sending the claim to the Account Office. The Account Office will take necessary steps to settle the claim and issue the sanction order either itself or through the competent authority. The branch postmaster will be guided by the instructions received from the Account Office.

(15) Reconciliation certificate: - If there is a difference in the name of the deceased depositor, a reconciliation certificate in the following form may be obtained from the claimant with the claim application form.

SPECIMEN OF FORM

Reconciliation certificate in case of a difference in name

Certified that the real name of the deceased depositor of P.O.S.B. account No.was.....He also used to be called by(name). The name as mentioned in pass book/in the Death Certificate, is that of one and the same person viz., the deceased depositor.

Address.....

.....

Date.....

Signature.....

Name(in block letters).....

Designation stamp.....

PAYMENT OF THE VALUE OF CERTIFICATE IN THE NAME OF DECEASED HOLDERS

50(1) A claim to the value of a certificate standing in the name of a deceased holder may be made on the basis of :-

- (a) Nomination**
- (b) Legal evidence**
- (c) Without the production of legal evidence at the discretion of sanctioning authority up to the limit fixed by Min. of Finance which is Rs. 1,00,000/- at present.**

If the claim exceeds the prescribed limit which is now Rs. 1,00,000/-, the claimant should be advised to obtain a succession certificate from a competent court of law or produce the probate of a will or letters of Administration of Estate of the deceased.

Note 1 :-Claims relating to Savings Bank Accounts and Savings Certificates shall be treated as separate and the prescribed limit shall be applied separately for each account or purchase application.

Note 2 :-When a minor on whose behalf a guardian has opened an account dies. The account will be dealt with as a claim case.

(2)(i) Certificate in respect of which nomination exists:- In case the deceased holder of the certificate has made a nomination and registered the same with the Post Office, the claimant should be advised that the nominee/nominees of the deceased holder may either :-

- (a) take immediate payment of the value of the certificate; or
- (b) allow the certificate to continue in the name of the deceased holder; or
- (c) If there is only one nominee, have fresh certificate issued in his own name; or
- (d) If there are two or more nominees, sub-divide the certificate and have fresh certificates issued in their individual names in appropriate denomination; or
- (e) where there are two adult nominees, have fresh certificate of Joint 'A' or Joint 'B' type issued in their joint names.

(ii) Where the sum due on a Savings Certificate is payable to two or more nominees and either or any of them dies, the sum shall be paid to the surviving nominees. On the death of the last surviving nominee or the sole nominee, the claim in respect of the certificate will be settled in favour of the legal heir of the deceased nominee and not in favour of the heir of the deceased holder.

(iii) The nominee should be requested to make an application in the prescribed format given below (printed or in manuscript) to the Postmaster of the office from where certificates were purchased along with the proof of death of the deceased holder in original and that of any other nominee, who may have also died intimating at the same time his choice at sub-para 2(ii) above.

FORMAT

Claim application form for settlement of Savings Certificates of the deceased holder who died on..... where nomination has been registered with Post Office.

To

The Postmaster,

.....

Sir,

In connection with the settlement of claim of Post Office Certificates standing in the name of the deceased..... in the books of..... (name of Post Office), I hereby claim the payment of the value of the Post Office Certificate(s) No..... In support of the claim, I hereby submit :-

(i) Proof of Death of the deceased issued by appropriate authority in original.

(ii) Proof of Death of other nominee(s), if any issued by appropriate authority in original.

The nomination was registered at.....Post Office under No..... ..
..... .dated.....

Yours faithfully,

Witness (1).....(Signature)

Address.....

Witness(2).....(Signature)

Address.....

.....

Witnesses accepted

Signature or thumb impression

of the claimant if illiterate.

Address.....

.....

Signature of Sr. PM/PM/SPM

Signature of the Guardian
appointed to receive the amount
on behalf of minor nominee(s)
Address of the Guardian.....

(iv) On receipt of the application at the Post Office, the Sr. Postmaster/ Postmaster/Sub Postmaster shall take ID and Address proof of the claimant and accept the witnesses on the claim forms. The Sr PM/PM/SM will verify the claim with the nomination register maintained by him and if the same is in order shall issue a sanction even before the expiry of three months for payment of the value to the nominee(s) after keeping a suitable note in the Register of nomination as well as on the application for nomination and application for purchase. In case of more than one nominee, all the nominees shall have to give a joint discharge. No further enquiries are necessary once the claimant is identified through two witnesses and ID as well as Address proof.

(v) In case, the nominee(s) has lost the original certificate(s) or is otherwise not in possession of it, he/they may apply for issue of certificate(s) in his/their own name after his/her claim has been admitted and sanction issued by the competent authority. The procedure as laid down in Rules 43 and 44 will apply mutatis mutandis.

Note 1:- The Sub Postmasters whether Time-Scale or Selection Grade are competent to issue sanction in such cases irrespective of the amount involved.

Note 2:- The Extra Departmental Sub Postmaster should in all cases submit the application alongwith the proof of death in original to the Superintendent of Post Offices certifying that the certificate stands registered in his office. The Branch Postmasters who are authorized to do Savings Certificates work independently will also follow the same procedure and send the documents to the Accounts Office. The Head Office will take necessary steps to settle the claim and issue the sanction order.

Note 3 :- Payment in the cases of deceased depositors of Savings Accounts/Savings Certificates on the basis of Nomination or Succession Certificate, etc :- The post office is required to give precedence to the nominee over all other persons staking claims on the amount while settling deceased claims cases and such payment to the nominee absolves the post office from all future liability in respect of the deposit. However, if any legal heir preferred claim on the basis of a Succession Certificate, Probate of Will or Letter of Administration of the deceased estates issued by any court of law before sanctioning of claim in favour of nominee, claim shall be settled in favour of Succession Certificate/Probate of Will or Letter of Administration holder.

Claims supported by Legal Evidence

(3)(i) When the claim is received supported by legal evidence such as succession certificate issued under the Indian Succession Act, 1925 or a probate of will or letters of administration of the deceased Estate, the claimant will be requested to fill in the claim application in the prescribed format as given below. (either printed or in manuscript).

FORMAT

Claim application form for settlement of savings certificates of the Deceased holder where the claim is preferred on legal evidence of heirship.

To
The Postmaster,
.....

Sir

In connection with the settlement of claim of Post Office Certificate(s) standing in the name (deceased). in the books of. (name of Post Office) I (state the full relationship) of the deceased, who died on.....hereby claim the payment of the value of the post office certificate(s) No. In support of the claim, I hereby, submit the original/certified/attested copy of the following :

(i) A succession certificate granted by..... under No..... dated.....

(ii) Probate of will granted by..... under No.....

(iii) Letter of Administration of the Estate of the deceased granted by..... under No..... dated.....

Yours faithfully,

Witness (1).....(Signature)
Address.....

Signature or thumb impression
of the claimant if illiterate.
Address.....

Witness(2).....(Signature)
Address.....

.....

Witnesses accepted

Signature of Sr. PM/PM/SPM

Signature of the Guardian
appointed to receive the amount
on behalf of minor nominee(s)
Address of the Guardian.....
.....

“NOTE - Whenever copies of the original documents are produced, the claimants should get them attested by a Gazetted Officer/Sarpanch Gram Panchyat.

(ii) The claim up to Rs. 500/- will be sanctioned by the Department Time Scale Sub Postmaster in whose office the certificates stand registered. In the case of LSG and HSG Sub Offices, the Sub Postmaster and in the case of Head Offices, the Head Postmaster can sanction the claim in respect of Savings Certificates of deceased holders without any limit of the amount when legal evidence of heirship is produced by the claimant. All claims in the case of Extra-Departmental Sub Offices and claims for amount exceeding Rs.500/- in the case of Time Scale Sub Offices, though supported by the legal evidence of heirship, will be forwarded to the Superintendent of Post Offices for issue of necessary sanction. The branch postmasters will send the claim to the account office for further necessary action.

(iii) Claims supported by legal evidence can be sanctioned even before the expiry of three months from the date of death of holder. There will be no necessity of making further enquiries either as to the fact of death or the date of death of the holder (if it is noted in documents) The Postmaster/Sub Postmaster will, however, before making payment satisfy himself about the genuineness of the legal evidence produced. The Postal Accounts Office will be informed of the claim having been admitted by endorsing to it a copy of the Memo sanctioning the payment. All such claims should be settled/disposed off within 7 days of the receipt of such claims by postoffices/administrative offices concerned.

NOTE :- In case the claimant is unable to produce the original legal evidence in support of his claim, he may, at his own cost, produce certified copies of the documents from the Public Officer having the custody of such documents. If there is any difficulty in producing certified copies, he may produce attested copies of such documents along with the originals for comparison by the sanctioning authority who should pass a remark on the attested copy of such documents that he has examined the original and found the copy to be correct. The claimant may also produce these documents to any other responsible postal officer for the purpose of attestation under his signature and seal.

(4)(i) **Without production of legal evidence:** -If a person who is not a nominee and has not produced legal evidence mentioned in item (ii) above prefers a claim he

will be requested by the Postmaster to fill in the prescribed claim form format of which is given below alongwith three Annexures. If the claimant calls personally, he may be given the necessary guidance. If the claimant resides in a village, he may be asked to seek necessary guidance from the nearest S.P.M. to whom a copy of the letter forwarding the application form may be endorsed.

FORMAT

Claim application form for settlement of Savings Certificates of the deceased holder who died on..... where there is no nomination or legal evidence and total amount of all certificates in the name of deceased holder does not exceed Rs. 1,00,000/-.

To

The Postmaster,
.....

Sir,

In connection with the settlement of claim of Post Office Certificates standing in the name of the deceased..... I hereby claim the payment of the value of the Post Office Certificate(s) detail of which is given below:-

Sl.No.	Scheme	Registration number & date of issue	Office of issue	Amount

In support of the claim, I hereby submit :-

- (i) Proof of Death of the deceased issued by appropriate authority in original.
- (ii) Letter of indemnity in original duly attested by Notary Public.
- (iii) Affidavit and letter of disclaimer on affidavit duly attested by Oath Commissioner.

Yours faithfully,

Witness (1).....(Signature)
Address.....
.....
Witness(2).....(Signature)
Address.....
.....
Witnesses accepted

Signature or thumb impression
of the claimant if illiterate.
Address.....
.....

Signature of Sr. PM/PM/SPM

ANNEXURE-I
(Letter of indemnity)

To
The Postmaster,

..... (Name of the Post office)

In consideration of your payment or agreeing to pay me /

us.....[name(s) of legal heir(s)] the sum of
Rs..... (Rupees.....) pertaining to NSC/KVP
certificates registered under No..... with your office in the name of
.....without production of letters of
administration or a succession certificate to the estate of the
deceased.....(name of the depositor),
I/We.....and we.....
..... (sureties) do hereby for ourselves
and our heirs, legal representatives, executors and administrators jointly and severally undertake
and agree to indemnify you and your successors and assigns against all claims, demands,
proceedings, losses, damages, charges and expenses which may be raised against or incurred
by you by reason or in consequence of having agreed to pay/or paying me/us the sum as
aforesaid.

In witness whereof we have hereunto set my/our hands at this.....day
of.....in the presence of witnesses,

Signed and delivered by the above named
heir/heirs of the deceased.
Signed and delivered by the above named sureties
(Signature, names and address)

1.

2.

Signature, names and address of witnesses:

1.

2.

ATTESTED

NOTARY PUBLIC

ANNEXURE-II
(Affidavit)

To
The Postmaster,
.....(Name of the Post office)

I / We.....Husband of / wife of
late.....aged.....aged.....aged.....sons/
daughters of the said
late.....resident
of.....do hereby declare and solemnly
affirm as under :-

(3) That I / we am/are the only heir(s) of the deceased.....who
died at..... on..... I / We alone represent the estate
of Shri/Smt.....

(4) That the deceased.....did not leave any Will and
therefore I / We are the only successor(s) to the estate of the said deceased.

- 1.
- 2.
- 3.

DEPONENTS

Verification: I / We, the above-named deponents do hereby verify on solemn affirmation
in..... (name of place) that the contents of this affidavit are true to the
best of my/our knowledge and nothing material has been concealed.

Dated.....

- 1.
- 2.
- 3.

DEPONENTS

ATTESTED

OATH COMMISSIONER

ANNEXURE-III
(Letter of disclaimer on Affidavit)

To
The Postmaster,
.....(Name of the Post office)

I / We (i)Husband of / wife ofResident
of.....

(ii)son/daughter of

(iii)son/daughter of

do hereby declare and solemnly affirm as follows :-

- (1) That Shri/Smt.....died intestate on leaving behind us.....his/her only heirs.
- (2) That we.....heirs of our late father/mother for ourselves and on behalf of our heirs, executors, representatives and assigns to hereby relinquish our claims to the NSC/KVPs with maturity value of Rs.....in issued by(name of post office) in the name of the estate of the said..... deceased and we have no objection whatsoever in the balance in the above-referred account together with interest, if any, accrued thereon being paid by the Post office to Mrs./Mr.....

- 1.
- 2.
- 3.

DEPONENTS

VERIFICATION: I / We, the above-named deponents do hereby verify on solemn affirmation that the contents of this affidavit are true to the best of my/our knowledge and nothing material has been concealed.

Dated.....

- 1.
- 2.
- 3.

DEPONENTS

I identify the deponent(s) who is/are personally known to me and who has/have signed in my presence.

Dated.....

Oath Commissioner

Note 1:- The Annexures must be filled in by the persons who are entitled under the law (vide sections 8 and 15 of the Hindu Succession Act, 1956, in case of persons governed by that Act, Mohammedan Law in case of a Muslim and Indian Succession Act, 1925 in case of Christians and others). If any person entitled under the Law is a minor, the claim form should be filled in by the guardian appointed by the court of law. Where there is no such guardian, by the natural guardian of the minor.

Note 2:- The claimant will be requested to submit the following documents alongwith the claim application and three annexures:-

- (a) The savings certificate or receipt of the certificate.
 - (b) Proof of Death issued by appropriate authority in original.
 - (c) A guardianship certificate on behalf of the minor relatives of the deceased depositor (if the claimant is not a guardian under the law applicable to him).
- (ii) If the claim does not exceed Rs. 1,00,000/-, the claimant should be asked to submit an application duly completed to the authorities mentioned below who are competent to sanction claims without production of legal evidence up to the limit noted against each after the expiry of three months from the date of death of the holder if no succession certificate or probate of will or letters of administration is produced during that period or up to the date of sanction.

TABLE

Sl. No.	Name of Authority	Limit in (Rs.)
(i)	Time Scale Departmental Sub-Postmasters	1,000
(ii)	Sub Postmasters in Lower Selection Grade	2,000
(iii)	Sub-Postmasters/Deputy Postmasters/Postmasters in Higher Selection Grade (all Non Gazetted)	5,000
(iv)	Deputy Postmasters/Senior Postmasters/Deputy chief Postmasters/Superintendent of Post Offices/Deputy Superintendent of Post Offices (All Gazetted Group-B)	20,000
(v)	Chief Postmasters in Head Offices, Senior Superintendents of Post Offices (All Gazetted Group-A)	50,000
(vi)	Regional Directors/Director (General Post Offices) [in Mumbai and Kolkata]	75,000
(vii)	Chief Postmasters General/Postmasters General (Headquarter and Region)	1,00,000

NOTE 1:- Cases presenting special features, such as lacuna in rules, etc. shall not be disposed of as a matter of course and all such should be referred to the Postal Directorate for orders.

NOTE 2:- The power for sanctioning claims beyond Rs. 10000/- will be exercised personally by the heirs mentioned against items (iv) to (vii) of the Table

NOTE 3:- The Gazetted Postmaster will not sanction the deceased claim cases of the sub offices under his jurisdiction which are beyond the powers of the S.P. Ms. The Divisional Superintendent concerned will sanction the deceased claim cases of sub offices functioning under his jurisdiction which are beyond the powers of the Sub-Postmasters.

(iii) In case the certificates stand registered at different offices, the claim may be preferred to anyone of the Head Postmasters under whose jurisdiction, at least one of the certificates stands registered. The sanction shall, however, be issued by the competent authority only after verification of the certificates from the offices of registration concerned. A copy of the sanction mentioning therein the name of the office of registration of each certificate and the registration number of the application shall be endorsed to the concerned offices.

(iv) Savings Certificates are settled under the provisions of the different Acts namely, Government Savings Bank Act, 1873 and the Government Savings Certificates Act, 1959 and statutory rules made thereunder. The limits upto which competent authority can sanction claim as well as the limit of Rs 1,00,000 for insisting on legal evidence are to be applied to settlement of Savings Bank and Savings Certificates claim separately, i.e. independently of each other.

NOTE: -For the purpose of determining the sanctioning authority, the limits should be the maturity value of the certificate i.e. the face value plus the amount of interest accrued upto the last completed year or half year, as the case may be, prior to the death of the deceased holder.

(v) Section 7(4) of Government Savings Certificates Act, 1959 vests the various sanctioning authorities with full discretion to pay to whosoever appears to them to be entitled to receive the sum due to a deceased holder and gives the department immunity from a bonafide wrong payment.

Sanction of claim

(vi) In all cases, the decision with reasons for it, will be recorded on the file relating to the case and an order will be issued by the competent authority in the prescribed format given below, copy being sent to the Postal Accounts Office, accompanied by the certificates of the deceased holder on their discharge or surrender for fresh certificate within 7 days of receipt of the claim.

SANCTION MEMO

From

No.

To

.....
.....
.....

Dated

Dear Sir/Madam,

Sanction of the undersigned is hereby accorded to the payment to you of the amount due on the Postal Savings Certificate(s) detailed below standing in the name of..... who is reported to have died on.....

2. The amount due will be paid to you on your presenting the Savings Certificate(s) duly receipted for payment at the..... Post office on surrendering the original sanction order.
3. You are, however, at liberty not to accept payment of the amount due on the Savings Certificate(s) before the date of maturity entered therein, in which case the Savings Certificate(s) in question shall be transferred to your name subject to the conditions laid down in the Rules governing the Savings Certificate(s) in question.
4. The sanction is valid for accepting payment or for getting the certificate(s) transferred in your name for a period of one year only from the date of its issue.

Yours faithfully,

Sanctioning authority

*Details of the Saving Certificates			
Number	Denomination	Date of Issue	Name of the office of Registration

Copy forwarded for information to the :-

1. The Postmaster/SPM.....Post Office. The date of payment may be communicated as soon as the payment is effected.
2. The Director/Dy. Director of Postal Account..... The value of the Post Office Certificate including interest accrued up to the last completed year or half year, as the case may be, prior to the death of the holder does not exceed Rs.1000/2000/5000/10,000/20,000/50,000/ 75,000/1,00,000* as per the claimant's statement in the claim application.
* score out which is not applicable

Sanctioning Authority

(viii) In every sanction issued for payment of the amount of a Post Office Certificate held by a deceased holder without obtaining legal evidence of heirship the following certificate should be endorsed by the sanctioning authority: -

"The value of post office certificate(s) including interest accrued up to the last completed year or half year, as the case may be, prior to death of the deceased holder does not exceed Rs. 1000, 2000, 5000, 10,000, 20,000/50,000/75,000/100,000 as the case may be, as per the claimant's statement in the claim application".

N.B.: -- Strike out the limits not applicable.

(5) **Payment to minor claimant:** -Where the claimant is a minor nominated by the holder, payment of the sum due may be made to the person appointed in the nomination to receive it. In case there is no such person or the minor claimant is not a nominee, payment of the sum due may be made to :-

(a) the guardian appointed by a court of law;

(b) Where there is no such guardian, to the natural guardian of the minor. The person receiving payment on behalf of the minor shall furnish a certificate that the minor is alive and the money is required on behalf of the minor,

(6)(i) **Payment of claim:-** While admitting the title the applicant will be, informed that it is not incumbent upon him to receive payment of the amount due before maturity of the certificate and that it may be got transferred to his name in accordance with the procedure laid down in Rule 38 even if the holding shall exceed the prescribed limit as a result of this transfer, Further purchase of transfer of any other certificate in his name shall not, however, be made.

(ii) The claimant will present the sanction in original alongwith the certificates discharged and signed on the reverse. The Postmaster will record a remark "Payment made to the claimant on _____ under his dated signatures and designation stamp on the claimant's copy of the sanction. The claimant's copy of the sanction along with discharged certificates will be sent the Postal Account Office with the discharge Journal.

(8)(i) In case of all types of claim i.e either in case of nomination registered, or legal evidence produced or no legal evidence produced, payment should be made only through cheque. Payment through cheque will be made by means of a crossed cheque which will be handed over to the claimant if attended personally or sent by the Issuing Postmaster by registered post to the Head or Sub Postmaster in whose jurisdiction the claimant is residing with a forwarding letter, copy of which will be endorsed to the claimant. The particulars of the cheque will be noted in the application for purchase, the certificate discharged and the remarks column of the discharge Journal against the relevant entry. When the claimant calls for the collection of the cheque, the post office will obtain a receipt for the same from him and forward the same to the postmaster issuing the cheque who in turn will forward the receipt to the Postal Accounts Office with covering letter after keeping a suitable note on the application for purchase.

(iii) If the claimant desires the certificate to be transferred to his name, the particulars of the certificate to be transferred should be noted on the application for transfer from one person to another (Form NC-34) quoting the number and date of the authority admitting the claim. The recognized heir should then be required to sign the declaration on the reverse of the form of application for transfer on which the particulars of the fresh certificates issued in lieu of the old certificate should be noted under the Postmaster's signature. The application should then be filed in the office of issue of the fresh certificate and treated in every respect like the original application for purchase of certificates.

(9) **Partial discharge of certificates held in the names of deceased holders:-** cases where a necessity for partial discharge arises will be disposed of as indicated hereunder :-

(i) Cases where the claim of all the heirs have not been admitted:-

(a) The paying Postmaster will make the following endorsement on the reverse of the certificate under his dated signature, viz. :-

"Claim for*share sanctioned by.....

*Portion of share i.e. one-third, half etc.

Vide his No.....dated.....Total amount payable Rs..... Amount of Rs.....(in words:.....) paid to the claimant and certificates for the balance, viz. Rs.....issued in the name of the deceased holder and Rs.....have been credited today under unclassified receipts less than Rs..... .

A note on the fresh certificate will be made regarding the payment of Rs.....as share of... .. (name of the claimant).

(b) The receipts for the amount paid to the claimant will be taken in Form ACG-17 and the balance left over if any, after the issue of the fresh certificate, credited to unclassified receipts with the following remarks : -

"Remarks as in (a) above, preceded by the words Total amount payable Rs..... on certificate No..... dated..... for Rs.....

(c) Remarks as at (a) above will be made in the relevant application for purchase giving the date and details of the fresh transaction.

(d) The Postmaster will intimate the sanctioning authority of the action mentioned above so that he will keep a note of it in the claim file to enable him to include the date of credit, the amount credited and the fresh certificates issued in the orders sanctioning the claims of the other heirs.

(ii) **Cases where some claimants are desirous of encashing their share while others desire to have fresh certificate issued in their names :-**

(a) The paying postmaster will make the following endorsement on the reverse of the certificate under the dated signature : -

"Amount payable on this certificate Rs.....to be paid to*claimant(s). Paid Rs..... (in words Rs.....)to* claimant(s) and certificate for Rs..... issued and cash Rs..... paid to claimant(s)

*No. of claimants

(b) The receipt of the claimant(s) desiring payment in cash will be obtained in Form ACG-17.

(c) Fresh certificates will be issued in favour of other claimants with the original date of issue. A transfer application with suitable charges therein will be obtained.

(d) The column in the Issue Journal relating to "Issue 'Price realised, will be left blank and a remark "In lieu of share of certificate No..... dated for Rs....." be recorded in the remarks column.

(e) In case the entire share amount cannot be issued in certificates, the balance will be paid in cash.

(f) Detailed remarks will be made in the application for purchase.

(iii) An intimation of the date of payment of the value of the certificate should be sent to the sanctioning authority.

(iv) Discharge journals in both the types of cases should be prepared at the time of first payment on the original certificate. The amount to be charged in the discharge journal should be the total of cash payment made to the payees and the amount to be charged in the discharged journal should be the total of cash payment made to the payees and the amount (if any) credited in the schedule of unclassified receipts. This charge should be supported by the discharged certificate bearing the Postmaster's remarks above the details of discharge.

(10) **Entry of request for settlement of claim in register and grant of receipt:-** (i) Whenever a request from the holder for sanction of claim is presented at any Post Office, his request should be acknowledged in the prescribed format given below:-

ACKNOWLEDGMENT OF CUSTOMER REQUEST

.....**SO (Name of post office where request received)**

Date of receipt of request.....

Time of receipt of request.....

Name of Holder.....

NSC/KVP Registration No.....

Name of scheme.....(NSC/KVP)

Request No;-(SI. No. of register in case of non-computerized office)

Date Stamp of PO

Signature of Postmaster

(ii) All such requests should be entered in the register on the day of receipt format of which is given below:-

Register to be maintained by Post Offices

Date of receipt	Sl.No.	Name of holder	NSC/KVP Registration No.	Name of scheme NSC/KVP	Date of disposal	Detail of disposal

Note:- After issue of sanction, the status in the register should be updated.

(11) **Maintenance of Register of Deceased claim cases:-** As soon as Claim Form alongwith required documents is received in the post office where the certificates stand, entry should be made in the register of deceased claim cases format of which is given below. In order to keep a watch on the expeditious disposal of claim cases this register should be maintained by all the sanctioning authorities (including the circle office). The register will be examined every month by the Head of the Office or Section to see that no case is being unduly delayed and such action as may expedite, is taken immediately. All deceased claim cases irrespective of the nomination registered or not, should be sanctioned/disposed off within 7 days of the receipt of the same in any post office or administrative office. All inspecting officers while visiting/inspecting any post office or administrative office should examine this register to see that no case is delayed beyond 7 days and if any such case is noticed, separate report should be sent to higher authority for fixing responsibility.

FORMAT

Name of Office

Register for watching expeditious settlement of claims relating to Savings Certificate standing in the names of deceased persons

Sl. No.	Case Mark	Date of receipt of claim application	Name and address of claimant with particulars of relationship to the deceased	Name of deceased holder and date of death	Particulars of certificates
1	2	3	4	5	6
Value of cfts.	Date on which claim form sent to higher authority for sanction	Date of receipt of sanction from higher authorities with particulars of sanction/Date of sanction	Date of payment/Particulars of cheque issued.	Remarks if any	
7	8	9	10	11	

(12)(i) **In case of EDSO/EDBO:-** In case of EDSO/EDBO, the EDSPM/BPMs should in all cases submit the application to the Head Postmaster/Account Office as the case may be, alongwith connected documents after certifying that the certificate stands registered in their office. An entry regarding the claim will be made in the application of purchase.

(13) **Claims of holders not heard for 7 years:-** For the purpose of this Rule the holders who have not been heard of for more than 7 years will be treated as dead and the claims in respect of their holdings settled in accordance with the foregoing sub-rules of the Rule, provided the disappearance of the holder of the certificate has been established and the claimant is prepared to indemnify the Government against any adverse claim.

(14) **Settlement of deceased depositor' claims on Savings Bank/Savings Certificates where either the claimant or some near relations is/are living abroad :-** There have been difficulties in settling claims on account of deceased depositor's accounts and Savings Certificates where claimant or some near relation(s) is/are living abroad. With a view to eliminating these difficulties, the following procedure is laid down.

(i) Claim form of a claimant residing in a foreign country, letter of disclaimer from a person residing in a foreign country, power of attorney executed in a foreign country and death certificate issued in a foreign country should have the authentication by the Indian Consular Office in that country, if reciprocal arrangements under Section 14 of the Notaries Act, 1952 do not exist between India and that country. Authentication means that the authenticating official has assured himself of the person who has signed the instrument, as well as the fact of execution. In case India has no consular relations with the country and no other foreign nation has been entrusted with the task of looking after the interests of India or of the people of Indian origin there, the authentication should be done by a Magistrate of that country.

(ii) Reciprocal arrangement under Section 14 of the Notaries Act, 1952 exists between India and the countries of United Kingdom, Hungary, Ireland, Belgium and New Zealand only. The documents executed before a Notary in any of these countries does not require authentication by the Indian Consular Office in that country.

(iii) Payment of the claim to a claimant residing in a foreign country will be made to the holder of power of attorney. No direct remittance will be made to the claimant in the foreign country.

(15) **Revival of sanction for payment:-** Where it is necessary to revive or revise a sanction for payment of the deceased depositor's certificate, the reviving or revising authority may permit payment of interest on the certificate where admissible up to the month preceding the month of revival or revision of the sanction provided he/she is satisfied that the delay was entirely beyond the control of the claimant.

(16) If there is a difference in the name of the deceased depositor, a reconciliation certificate in the following form may be obtained from the claimant with the claim application form.

Reconciliation certificate in case of a difference in name

Certified that the real name of the deceased investor of savings certificate No.....dated.....was.....He also used to be called by.....(name). The name as mentioned in savings certificate/in the Death Certificate, is that of one and the same person viz., the deceased investor.

Address.....
.....
Signature.....

Signature
Name (in block letters)
Designation stamp