

F. No. 113-11/2003-SB  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(F.S. Division)

Date: 10.01.2006

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

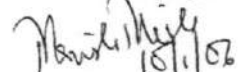
**Sub: Mode of repayment of deposits under Section 269 T of the Income Tax Act.**

Sir/Madam,

The undersigned has been directed to forward herewith a copy of notification issued by Ministry of Finance, vide letter I.D. No. 2/5/2000-NS-II dated December 27, 2005 on the above subject.

2. It is requested that the contents of this notification may be immediately circulated to all concerned for information, guidance and necessary action.
3. Kindly acknowledge receipt.

Yours faithfully,

  
Manisha Mishra  
ADG (BS&SC)

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

Government of India  
Ministry of Finance  
Department of Economic Affairs  
(Budget Division)

Date: 10.01.2006

Subject:- Mode of repayment of deposits under Section 269 T of the Income Tax Act.

Department of Posts may please refer to their I.D.No. 113-11/2003-SB, dated 6.7.2005 on the subject cited above. The matter has been examined in consultation with CBDT which have informed that in terms of provisions of section 269SS of the IT Act, a post office savings bank can accept any loan or deposit in cash in excess of Rs.20,000/- but, in terms of provisions of section 269T of the Income Tax Act, a post office savings bank cannot repay by way of cash any loan or deposit made with it, if the amount of such loan or deposit along with the interest, if any, payable thereon exceeds Rs.20,000/-. They have further intimated that the ceiling of repayment of loan or deposit upto Rs.20,000/- by way of cash under section 269T of the IT Act was provided in 2002 as against earlier ceiling of Rs.10,000/- applicable since 1981. There is no justification to enhance this limit to Rs.50,000/- just after a period of 3 years.

  
(P.C. Singh)

Under Secretary to the Govt. of India.

Deptt of Posts [Ms. Manisha Mishra, ADG(BS & SC)], Dak Bhavan, Sansad Marg, N. D.  
Ministry of Finance, DEA, I.D. No. 2/5/2000- NS.II dated 27.12.2005.

Manisha Mishra  
ADG (BS&SC)

- 1 Director of Public Relations
- 2 All Director, Director of Accounts, Posts
- 3 Director, Postal Staff College, Mysore
- 4 All Principals, Postal Training Centres
- 5 Director, P.O. (A)
- 6 Director, P.O. (B)
- 7 All Regional Staff Units & Associations
- 8 All Assistant Office (AO) (B)
- 9 Ministry of Finance (DEA) (I.D. No. 2/5/2000- NS.II dated 27.12.2005)
- 10 (20 to Member)

(Sd/-) Manisha Mishra  
ADG (BS&SC)  
No./Dy. No. ....  
Date ..... 2/1

F. No. 110-1/2006-FS  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(F.S. Division)

Date: 01.03.2006

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

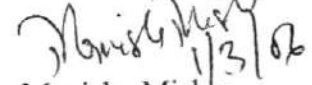
**Sub: Post Office Monthly Income Account Rules, 2006 reg.**

Sir/Madam,

The undersigned has been directed to forward herewith a bilingual printed copy of Ministry of Finance Notification No. G.S.R. 59(E) dated 10<sup>th</sup> February 2006 on the subject cited above.

2. It is requested that the contents of this notification may be immediately circulated to all concerned for information, guidance and necessary action.
3. Kindly acknowledge receipt.

Yours faithfully,

  
Manisha Mishra  
ADG (BS&SC)

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
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10. PS to Member (D)



# भारत का राजपत्र

## The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 52]

नई दिल्ली, शुक्रवार, फरवरी 10, 2006/माघ 21, 1927

No. 52]

NEW DELHI, FRIDAY, FEBRUARY 10, 2006/MAGHA 21, 1927

वित्त मंत्रालय

(आर्थिक कार्य विभाग)

अधिसूचना

नई दिल्ली, 10 फरवरी, 2006

**सा.का.नि. 59(अ).**—केन्द्रीय सरकार, सरकारी बचत बैंक अधिनियम, 1873 (1873 का 5) की धारा 15 द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, डाकघर (मासिक आय खाता) नियम, 1987 का और संशोधन करने के लिए निम्नलिखित नियम बनाती है, अर्थात् :—

1. (1) इन नियमों का संक्षिप्त नाम डाकघर (मासिक आय खाता) संशोधन नियम, 2006 है।
- (2) ये उनके राजपत्र में प्रकाशन की तारीख को प्रवृत्त होंगे।
2. डाकघर (मासिक आय खाता) नियम, 1987 में,—

“(क) नियम 9 के उपनियम (1) में निम्नलिखित परंतुक अंतःस्थापित किया जाएगा, अर्थात् :—

“परन्तु 13 फरवरी, 2006 को या उसके पश्चात् खोले गए खातों में की गई जमाओं पर कोई बोनस संदत्त नहीं किया जाएगा।”;

(ख) नियम 10 के स्थान पर निम्नलिखित नियम रखा जाएगा, अर्थात् :—

“10. खाते का समय पूर्व बन्द किया जाना.—नियम 5 के उप-नियम (2) में किसी बात के होते हुए भी, जमाकर्ता द्वारा इस बाबत आवेदन किए जाने पर, उसे जमा वापस लेने और ऐसा खाता खोलने की तारीख से एक वर्ष की अवधि की समाप्ति के पश्चात् किसी समय इस शर्त के अधीन रहते हुए खाता बंद करने की अनुज्ञा दी जा सकेगी कि—

- (i) यदि खाता ऐसे खाते के खोलने के तीन वर्ष की समाप्ति पर या उससे पहले बंद किया जाता है तो जमा के दो प्रतिशत के बराबर रकम की कटौती कर ली जाएगी और शेष रकम उसे संदत्त कर दी जाएगी, और
- (ii) यदि खाता ऐसे खाते के खोलने की तारीख से तीन वर्ष की समाप्ति के पश्चात् बंद किया जाता है तो जमा के एक प्रतिशत के बराबर रकम की कटौती कर ली जाएगी और शेष रकम जमाकर्ता को संदत्त कर दी जाएगी।”।”

[फा. सं. 2/2/2006-एनएस-II]

पी. सी. सिंह, अवर सचिव

**टिप्पण :** मूल नियम, भारत के राजपत्र में सं. सा.का.नि. 701(अ), तारीख 10 अगस्त, 1987 द्वारा प्रकाशित किए गए थे और तत्पश्चात् उनमें निम्नलिखित द्वारा संशोधन किए गए :—

सं. सा.का.नि. 805(अ), तारीख 21 जुलाई, 1988, सं. सा.का.नि. 46(अ), तारीख 20 जनवरी, 1989, सं. सा.का.नि. 581(अ), तारीख 12 सितम्बर, 1991, सं. सा.का.नि. 430(अ), तारीख 24 अप्रैल, 1992, सं. सा.का.नि. 390(अ), तारीख 29 अप्रैल, 1993, सं. सा.का.नि. 585(अ), तारीख 2 सितम्बर, 1993, सं. सा.का.नि. 5(अ), तारीख 1 जनवरी, 1999, सं. सा.का.नि. 45(अ), तारीख 15 जनवरी, 2000, सं. सा.का.नि. 80(अ), तारीख 1 फरवरी, 2000, सं. सा.का.नि. 613(अ), तारीख 18 जुलाई, 2000, सं. सा.का.नि. 153(अ), तारीख 1 मार्च,

2001 और सं. सा.का.नि. 161(अ), तारीख 1 मार्च, 2002, सं. सा.का.नि. 350(अ), तारीख 10 मई, 2002, सं. सा.का.नि. 176(अ), तारीख 1 मार्च, 2003, सं. सा.का.नि. 758(अ), तारीख 23 सितम्बर, 2003 और सं. सा.का.नि. 288(अ), तारीख 13 मई, 2005 ।

**MINISTRY OF FINANCE**  
**(Department of Economic Affairs)**

**NOTIFICATION**

New Delhi, the 10th February, 2006

**G.S.R. 59(E).**—In exercise of the powers conferred by Section 15 of the Government Savings Banks Act, 1873 (5 of 1873), the Central Government hereby makes the following rules further to amend the Post Office (Monthly Income Account) Rules, 1987, namely :—

1. (1) These rules may be called the Post Office (Monthly Income Account) Amendment Rules, 2006.
- (2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Post Office (Monthly Income Account) Rules, 1987,—

“(a) in rule 9, in sub-rule (1), the following proviso shall be inserted, namely :—

“Provided that no bonus shall be paid on the deposits made in the accounts opened on or after the 13th day of February, 2006.”

(b) for rule 10, the following rule shall be substituted, namely :—

“**10. Premature closure of account.**— Notwithstanding anything contained in sub-rule (2) of rule 5, on an application made by the depositor in this regard, he may be permitted to withdraw the deposit and close the account any time after the expiry of a period of one year from the date of opening of such account, subject to the condition that :

- (i) if the account is closed on or before expiry of three years of opening of such account, an amount equal to two per cent of the deposit shall be deducted and remainder paid to him, and
- (ii) if the account is closed after expiry of three years from the date of opening of such account, an amount equal to one per cent, of the deposit shall be deducted and remainder paid to the depositor.”

[F. No. 2/2/2006-NS. II]

P. C. SINGH, Under Secy.

**Note :—**The principal rules were published in the Gazette of India *vide* number G.S.R. 701(E), dated the 10th August, 1987 and subsequently amended *vide* G.S.R. 805(E), dated the 21st July, 1988, G.S.R. 46(E), dated the 20th January, 1989, G.S.R. 581(E), dated the 12th September, 1991, G.S.R. 430(E), dated the 24th April, 1992, G.S.R. 390(E), dated the 29th April, 1993, G.S.R. 585(E), dated the 2nd September, 1993, G.S.R. 5(E), dated the 1st January, 1999, G.S.R. 45(E), dated the 15th January, 2000, G.S.R. 80(E), dated the 1st February, 2000, G.S.R. 613(E), dated the 18th July, 2000, G.S.R. 153(E), dated the 1st March, 2001, G.S.R. 161(E), dated the 1st March, 2002, G.S.R. 350(E), dated the 10th May, 2002, G.S.R. 176(E), dated the 1st March, 2003, G.S.R. 758(E), dated the 23rd September, 2003 and G.S.R. 288(E), dated the 13th May, 2005.

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

Date: 02.03.2006

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

**Sub: Senior Citizen Savings Scheme -2004-Clarification regarding**

Sir/Madam,

S.No.	Clarification sought	Reply of Ministry of Finance
1.	<p>As per Rule 9 of Senior Citizen Savings Scheme-2004, Premature closure of account is permissible.</p> <p>It is requested to examine and clarify that in case of premature closure of SCSS account whether the interest is payable upto the quarter preceding the quarter in which account is closed or up to the month proceeding the month in which the account is prematurely closed or upto the date preceding the date of premature closure after deduction of one &amp; a half or 1% as the case may be.</p>	<p>As regards interest payable on premature closure of SCSS accounts, it is clarified that interest is payable up to the end of the month preceding the month in which the account is prematurely closed.</p>
2.	<p>As per Ministry of Finance notification dated 16<sup>th</sup> October 2003 issued vide G.S.R. 818 (E), a 'table' is given showing limits of each authority for sanctioning deceased claim cases under POSB General Rules, 1981.</p> <p>It is requested to kindly examine and clarify whether the said table shall also be applicable to Senior Citizen Savings Scheme for settlement of deceased claim cases under Rule 8(3) &amp; (4) of SCSS-2004. The clarification is being sought in the light of the fact that FORM-F in SCSS-2004 has been so</p>	<p>The view taken by the Department of Posts that Proviso below Rule 8 (4) of Senior Citizen Savings Scheme Rules 2004 is more liberal than the delegation for other small savings schemes is hereby confirmed.</p>

	<p>designed to facilitate easy settlement, irrespective of the amount. It is different from other Savings Scheme, where various financial limits have been prescribed for settlement of claims.</p>	
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2. It is requested that the contents of these notification and O.M. may be circulated to all concerned for information, guidance and necessary action.
3. Kindly acknowledge receipt.

Yours faithfully,

*Manisha Mishra*  
2/3/22  
Manisha Mishra  
ADG (BS&SC)

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

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

Date: 10.03.2006

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

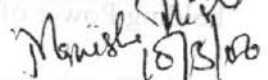
**Sub: Senior Citizen Savings Scheme (SCSS) -2004 - Nomination through Power of Attorney**

Sir/Madam,

The undersigned has been directed to forward herewith a copy of clarification issued by Ministry of Finance, vide letter no. F. No. 15/8/2005/ NS-II dated 2<sup>nd</sup> March 2006 on the above subject.

2. It is requested that the contents of this SB Order may be circulated to all concerned for information, guidance and necessary action.
3. Kindly acknowledge receipt of this letter.

Yours faithfully,

  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
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7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)



No.F.15/8 /2005/ NS-II  
Government of India  
Ministry of Finance  
Department of Economic Affairs  
(Budget Division)

New Delhi, the 2<sup>nd</sup> Mar 2006.

To,

Shri P Loganathan  
Assistant General Manager  
Reserve Bank of India  
Department of Government & Bank Accounts  
Central Office  
Opp. Mumbai Central Railway Station  
Byculla, Mumbai-400 008.

Sub: Senior Citizens Savings scheme-2004 – Nomination through Power of Attorney.

Sir,

I am directed to refer to your letter No DGBA.CDD/15.15.001/H 7232/2005-06 dated 6<sup>th</sup> Dec 2005 on the above-mentioned subject. The matter has been considered in this Department in consultation with Ministry of Law and it is clarified that a person holding Power of Attorney cannot sign for the nominee in the Nomination Form.

Yours faithfully,

Sd/-  
(P.C. SINGH)

Under Secretary to the Govt. of India

Copy to: **MS P Gopinath, DDG (FS), Department of Posts, Dak Bhawan, New Delhi.:-**

The issue raised was in case a nominee residing abroad gives a Power of Attorney for signing on his behalf in the Nomination Form, whether such Nomination Form signed by holder of Power of Attorney can be accepted.

B 6/3

Manish

A. D. C. (S) 397  
Date 08/3/06

Sd/-  
2/3/06  
(P. C. Singh)

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

Date: 16.03.2006

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

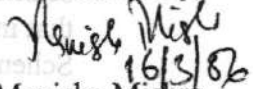
**Sub: Senior Citizen Savings Scheme, 2004- clarification reg.**

Sir/Madam,

The undersigned has been directed to forward herewith a copy of Corrigendum issued by Ministry of Finance, vide letter no. F. No. 2-8/2004-NS-II dated 08<sup>th</sup> December 2005 on the above subject, forwarded by the nodal ministry to the Department vide letter-dated 06.03.2006.

2. It is requested that the contents of this Corrigendum may be circulated to all concerned for information, guidance and necessary action.
3. Kindly acknowledge receipt.

Yours faithfully,

  
16/3/06  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
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8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

**F. NO. 2-8/2004-NS-II**  
**GOVERNMENT OF INDIA**  
**MINISTRY OF FINANCE**  
**DEPARTMENT OF ECONOMIC AFFAIRS**  
**( BUDGET DIVISION)**

**NORTH BLOCK, CENTRAL SECRETARIAT,**  
**NEW DELHI-110001, THE DECEMBER 9, 2005.**

**CORRIGENDUM**


**SUBJECT: Senior Citizens Savings Scheme, 2004 (SCSS)-clarification-reg.**

The clarification issued by this office vide O.M. of even number dated the May 31, 2005 on how to calculate interest for broken period (less than a quarter) is hereby modified as under.

For	Read
Interest for any period less than a 'quarter' (as prescribed under the rules ) shall be calculated as per the following formula:  $\frac{\text{Number of days} \times \text{yearly rate of interest}}{365 \text{ or } 366 \text{ (in case of a leap year)}}$	Interest for any period less than a 'quarter' (as prescribed under the rules) shall be calculated as per the following formula:  $\frac{\text{Number of days in the period} \times \text{interest for the quarter}}{\text{Total number of days in the quarter}}$

2. A number of complaints have been received regarding delay in the crediting of interest on due dates under the Senior Citizens Scheme. It may be ensured that interest on deposit is credited/paid on due dates as the objective of the Scheme is to ensure regular flow of income to the depositors.

This issues with the approval of J.S.(Budget)

  
(C.A. BABY)  
Accounts Officer.  
Tele: 2309 4050

TO

1. The Department of Posts { Kind Attn: Mrs. P.Gopinath, DDG (FS)  
Dak Bhavan, Sansad Marg, New Delhi-110 001.
2. Shri Prabal Sen, Chief General Manager (DGBA) Reserve Bank of India,  
Central Office, Mumbai.

Copy for information to :-

Sh. Ashish Das, Professor, Indian Statistical Institute, Delhi Centre, 7 Sansanwal Marg, New Delhi-110 016. w.r.t his letter dt. 20.7.2005

*Issued*  
*epr*  
8/12/05

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

Date: 23.03.2006

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

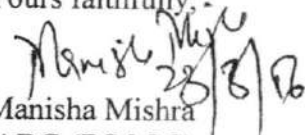
**Sub: Senior Citizen Savings Scheme (SCSS) -2004 – Clarification reg. –**

Sir/Madam,

Kindly find enclosed a clarification issued by Ministry of Finance, vide letter no. 15/8/2005/ NS-II dated 17<sup>th</sup> March 2006 regarding continuation of the account in the event of the death of the first holder of Senior Citizen Savings Account.

2. Ministry of Finance has clarified that in the even of the death of the first holder in Senior Citizen Savings Account, Rule 8 permits the 2<sup>nd</sup> holder (Spouse), or when the spouse is the sole nominee the option to continue the account. In view of the same the 2<sup>nd</sup> holder (spouse) / or the sole nominee (spouse) shall be allowed to continue the account even when she does not meet the age criteria of 60 years as required under the rules.
3. It is requested that the contents of this SB Order may be circulated to all concerned for information, guidance and necessary action.
4. Kindly acknowledge receipt of this letter.

Yours faithfully, -

  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

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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9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

F.No.15/8/2005/NS-II  
Ministry of finance  
Department of Economic Affairs  
(Budget Division)

Date 27.03.2006

New Delhi, Dated 17<sup>th</sup> March 2006

To

Ms. Manisha Mishra,  
ADG (BS&SC)  
Department of Posts,  
Dak Bhavan,  
Sansad Marg,  
New Delhi- 110 001.

Subject: - Senior Citizens Saving Scheme 2004- Clarification reg.- Case of  
Smt.M.Challamma.

Madam,

I am directed to forward herewith a copy of letter dated 20.02.2006 received from Smt.M.Challamma W/o Late Sh. B.N.Muniswamy on the above mentioned subject and to say that the request of Smt. M.Challamma has been considered in this Department and the same has been agreed to as Rule 8 permits the 2<sup>nd</sup> holder (spouse), or when the spouse is the sole nominee, the option to continue the account in the event of the death of the first holder. To insist that the spouse should be 60 years of age to continue the account at the time of the death of the first holder will be against the spirit of the rules. It is therefore requested that the concerned Post Office may be advised to let Smt.M.Challamma W/o Late Sh. B.N.Muniswamy to continue her late husband's account as desired by her.

Yours faithfully,

(P.C.Singh)

Under Secretary to the Govt. of India.

Copy for necessary action:-

1. The Post Master, Milk Colony Post Office, Bangalore- 560 055  
(Rajaji Nagar Head Post Office).
2. Smt. M.Challamma, W/o Late Sh. B.N.Muniswamy, C/o Sh.Brahmadeviah,  
No.1915, 10<sup>th</sup> Main, A Block, 2<sup>nd</sup> Stage,Rajaji Nagar, Bangalore-560 010.

A. L. G. (BS & SC)  
No. / D. No. ....  
Date / Date .....

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

Date: 30.03.2006

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

**Sub: Senior Citizen Savings Scheme (SCSS) -2004 – Issue relating to TDS - Clarification reg.**

Sir/Madam,

Kindly find enclosed a clarification issued by Ministry of Finance vide letter no. 2-8/2004-NS-II dated 28<sup>th</sup> March 2006 on the subject cited above.

2. The undersigned has been directed to communicate further that while circulating the above clarification to all Post Offices the Postmaster should be directed that in case of non-deduction of Income Tax at source in the past, they should address the Senior Citizen Savings Scheme investors to pay tax as due for interest paid earlier.

3. It is requested that the contents of this SB Order may be circulated to all concerned for information, guidance and necessary action.

4. Kindly acknowledge receipt of this letter.

Yours faithfully,

*Manisha Mishra*  
30/3/06  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

**F.NO.2-8/2004-NS-II**  
**GOVERNMENT OF INDIA**  
**MINISTRY OF FINANCE**  
**DEPARTMENT OF ECONOMIC AFFAIRS**  
**(BUDGET DIVISION)**

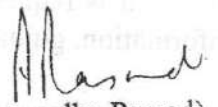
जय महानिदेशक (वि. से.)  
D. D. G. (F. S.)  
क्र. सं./Dy. No. 298  
दिनांक/Date 28/3/06

**NORTH BLOCK, CENTRAL SECRETARIAT,**  
**NEW DELHI-110001, THE 28 MARCH, 2006**

Subject: Senior Citizens Savings Scheme, 2004- Issues relating to TDS-clarification-reg.

Issues relating to TDS in respect of interest payable under the Senior Citizens Savings Scheme 2004 has been under correspondence with Department of Revenue, Central Board of Direct Taxes. Central Board of Direct Taxes has now clarified that, since interest payments under Senior Citizens Savings Scheme, 2004 has not been exempted from deduction of tax at source, post offices and banks are required to deduct income-tax at source. It has further been clarified that the facility of furnishing Form No. 15H (prescribed under the Income-tax Rules, 1962) is available only to a person (payee) resident in India and who is of the age of 65 years or more at any time during the previous year as under Income-tax Act, a person who has attained 65 years or more at any time during the previous year only is treated as a Senior Citizen.

The above clarification issued by Central Board of Direct Taxes may be taken in to account while making interest payments under the Senior Citizens Savings Scheme 2004.

  
(Anuradha Prasad)  
Director (Budget)

To

1. Sh. B.B.Sagma, General Manager, Reserve Bank of India, Department of Govt. & Bank Accounts, Central Office, Opp. Mumbai Central Railway Station, Byculla, Bombay-400 008.
2. Ms. P. Gopinath, Deputy Director General (FS), Department of Posts, Dak Bhavan, Sansad Marg, New Delhi-110 001.
3. Sh. Anil Bhattacharya, Joint National Savings Commissioner, National Savings Institute, 4<sup>th</sup> Floor, Seminary Hills, Nagpur-440 006.

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

Date: 31.03.2006

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

**Sub: Senior Citizen Savings Scheme (SCSS) -2004 – Amendment reg. –**

Sir/Madam,

Kindly find enclosed a notification issued by Ministry of Finance, vide letter no. 2-8/2004/ NS-II dated 23<sup>rd</sup> March 2006 regarding transfer of account from one deposit office to another.

2. It is requested that the contents of this SB Order may be circulated to all concerned for information, guidance and necessary action.
3. Kindly acknowledge receipt of this letter.

Yours faithfully,

*Manisha Mishra*  
31/3/06  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD (SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)



Fax: 230970100

[TO BE PUBLISHED IN THE GAZETTE OF INDIA : EXTRAORDINARY, PART II - Sec.3(I)]

MINISTRY OF FINANCE  
(Department of Economic Affairs)

NOTIFICATION  
New Delhi, the 21. the March, 2006

GSR.....(E) :- In exercise of the powers conferred by section 15 of the Government Savings Banks Act, 1873 ( 5 of 1873), the Central Government hereby makes the following rules to further amend the Senior Citizens Savings Scheme Rules 2004, namely:-

- 1. (1) These rules may be called the Senior Citizens Savings Scheme (Amendment) Rules, 2006.
- (2) They shall come into force on the date of their publication in the Official Gazette.
- 2. In the Senior Citizens Savings Scheme Rules, 2004, For rule 11, the following shall be substituted, namely:-
- "11 Transfer of account from one deposit office to another :-A depositor may apply in FORM-G, enclosing the pass book thereto, for transfer of his account from one deposit office to another.

Provided that where the deposit is rupees one lakh or above, a transfer fee of rupees five per lakh of deposit for the first transfer and rupees ten per lakh of deposit for the second and subsequent transfers shall be payable "

[F.No.2-8/2004-NS-II]

(P. C. SINGH)  
Under Secretary to Government of India

Note:- The Senior Citizens Savings Scheme Rules,2004 were published in the Gazette of India (Extraordinary) vide notification number G.S.R. 490(E) dated 2<sup>nd</sup> August,2004 and subsequently amended vide G.S.R706(E) dated 27<sup>th</sup> October,2004.

Director of Audit, P&T, Delhi

All Director, Director of Accounts, P&T

Director, Postal Staff College, Gandhinagar

All Principals, Postal Training Centre

DDO (PG) DDG (VIG)

AD (SB) Postmaster General, P&T Accounts Section

All recognized Staff Unions & Associations

All Accounts Officers (G/SB)

Ministry of Finance (DE) NS-II section, North Block, New Delhi

PS to Member (I)

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

Date: 26.04.2006

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

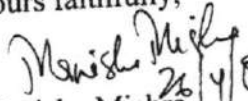
**Sub: Amendment to Senior Citizen Savings Scheme Rules, 2004 – Reg.**

Sir/Madam,

In continuation of SB Order No. 8/2006 dtd. 31.03.2006 the undersigned has been directed to forward herewith Gazette notification G.S.R. 176(E) issued by Ministry of Finance on the subject above.

2. It is requested that the contents of this SB Order may be circulated to all concerned for information, guidance and necessary action.
3. Kindly acknowledge receipt of this letter.

Yours faithfully,

  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)





# भारत का राजपत्र

## The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड 3—उप-खण्ड (i)

PART II—Section 3—Sub-section (i)

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं. 115]

नई दिल्ली, बृहस्पतिवार, मार्च 23, 2006/चैत्र 2, 1928

No. 115]

NEW DELHI, THURSDAY, MARCH 23, 2006/CHAITRA 2, 1928

वित्त मंत्रालय

(आर्थिक कार्य विभाग)

अधिसूचना

नई दिल्ली, 23 मार्च, 2006

सा.का.नि. 176(अ).—केन्द्रीय सरकार, सरकारी बचत बैंक अधिनियम, 1873 (1873 का 5) की धारा 15 द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, वरिष्ठ नागरिक बचत स्कीम नियम, 2004 का और संशोधन करने के लिए निम्नलिखित नियम जगती है, अर्थात् :—

1. (1) इन नियमों का संक्षिप्त नाम वरिष्ठ नागरिक बचत स्कीम (संशोधन) नियम, 2006 है।

(2) ये राजपत्र में प्रकाशन की तारीख को प्रवृत्त होंगे।

2. वरिष्ठ नागरिक बचत स्कीम नियम, 2004 में नियम 11 के स्थान पर निम्नलिखित रखा जाएगा, अर्थात् :—

“11. खाते का एक जमा कार्यालय से किसी और अन्य में अंतरण :— जमाकर्ता अपने खाते को एक निक्षेप कार्यालय से किसी और अन्य कार्यालय में अंतरित कराने के लिए प्रारूप छ में, उसके साथ पास-बुक संलग्न करते हुए आवेदन कर सकेगा :

परन्तु जहां जमा एक लाख रुपए या उससे अधिक है वहां पहले अंतरण के लिए जमा के प्रति लाभ पर पांच रुपए और दूसरे अथवा पश्चात्पूर्वी अंतरणों के लिए प्रति लाख पर दस रुपए की अंतरण फीस संदेय होगी।”

[फ. सं. 2-8/2004-एन. एस. -II]

पी. सी. सिंह, अवर सचिव

टिप्पण :—वरिष्ठ नागरिक बचत स्कीम, नियम, 2004 भारत के राजपत्र (असाधारण) में सं. सा.का.नि. 490(अ), तारीख 2 अगस्त, 2004 द्वारा प्रकाशित किए गए थे और तत्पश्चात् उनमें सं. सा.का.नि. 706(अ), तारीख 27 अक्टूबर, 2004 द्वारा संशोधन किए गए थे।

891 GI/2006

MINISTRY OF FINANCE

(Department of Economic Affairs)

NOTIFICATION

New Delhi, the 23rd March, 2006

G.S.R. 176(E).—In exercise of the powers conferred by Section 15 of the Government Savings Banks Act, 1873 (5 of 1873), the Central Government hereby makes the following rules to further amend the Senior Citizens Savings Scheme Rules 2004, namely :—

1. (1) These rules may be called the Senior Citizens Savings Scheme (Amendment) Rules, 2006.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Senior Citizens Savings Scheme Rules, 2004, for rule 11, the following shall be substituted, namely :—

“11. Transfer of account from one deposit office to another :— A depositor may apply in Form-G, enclosing the pass-book thereto, for transfer of his account from one deposit office to another:

Provided that where the deposit is rupees one lakh or above, a transfer fee of rupees five per lakh of deposit for the first transfer and rupees ten per lakh of deposit for the second and subsequent transfers shall be payable”.

[F. No. 2-8/2004-NS-II]

P. C. SINGH, Under Secy.

Note :—The Senior Citizens Savings Scheme Rules, 2004 were published in the Gazette of India (Extraordinary) vide notification number G.S.R. 490(E), dated 2nd August, 2004 and subsequently amended vide No. G.S.R. 706(E) dated 27th October, 2004.



The following information is provided for your reference:  
 1. The total number of items is 10.  
 2. The items are listed in the following order:  
 a. Item 1: [illegible]  
 b. Item 2: [illegible]  
 c. Item 3: [illegible]  
 d. Item 4: [illegible]  
 e. Item 5: [illegible]  
 f. Item 6: [illegible]  
 g. Item 7: [illegible]  
 h. Item 8: [illegible]  
 i. Item 9: [illegible]  
 j. Item 10: [illegible]

This document is a copy of the original record.  
 It is subject to the same terms and conditions as the original.  
 For more information, please contact the relevant authority.  
 Date: [illegible]  
 Signature: [illegible]

F. No. 54-1/2003-SB  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(F.S. Division)

Date: 22.05.2006

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

**Sub: Transfer of account from 1 Post Office to another reg.**

Sir/Madam,

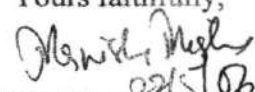
A number of complaints are being received where transfer of accounts from one Post Office to another is unnecessarily delayed. Time norms regarding the same has already been prescribed vide SB Order No. 11/2005 dated 06.07.2005. The same is being reiterated below:-

SAVING ACTIVITY	POST OFFICE	TIME FRAME	REMARKS
Transfer of account	Application given at P.O. where account stands.	Within 10 working days	
	Application given at transferee PO	Within 20 working days	

2. In number of transfer cases the passbooks of the customers are not delivered back to the customers as per the rules. It is again reiterated that after the transfer of account the passbook should be returned to the depositor direct by registered post at the address given in the application for transfer and the registered receipt got pasted to the office copy of the advice of transfer.

3. Heads of Circles are requested to get the above enforced strictly by issuing necessary instructions to all Post Offices under their jurisdiction.

4. Kindly acknowledge receipt.

Yours faithfully,  
  
(Manisha Mishra)  
ADG (BS&SC)

Ministry of Communications & IT  
Department of Posts  
New Delhi

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

All Heads of Offices/Regions  
Addl. Director General, A.P.S.

Subj: Transfer of account from ...

Sir/Madam

A number of complaints are being received ...  
Office to another as unnecessarily delayed. Time norms regarding the same has already been  
prescribed vide SR Order No. 13005 dated 06.07.1985. The same is being reiterated below:-

REMARKS	TIME FRAME	POST OFFICE	SAVING ACTIVITY
	Within 10 working days	Application given at transfer	Transfer of account
	Within 10 working days	Application given at transfer	F.O. where account stands

3. In number of transfer cases the cashbooks of the customers are not delivered back to the customers as per the rules. It is again reiterated that after the transfer of account the cashbook should be returned to the depositor duly registered and the address given in the application for transfer and the registered receipt pasted in the office copy of the advice of transfer.

4. Heads of Offices are requested to get the above enforced strictly by issuing necessary instructions to all Post Offices under their jurisdiction.

Kindly acknowledge receipt.

Yours faithfully,  
*[Signature]*  
ADG (P&T)

F. No. 111-14/2001-SB  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(F.S. Division)

Date: 25.05.2006

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

**Sub: Separation of Account Withdrawal and Account Closure Form reg.**

Sir/Madam,

At present application for SB withdrawal and closure is identical and this gives the agents an opportunity to get the application form signed by the depositor for withdrawal especially in MIS and Senior Citizen Savings Scheme Account and later on fraudulently closing the account without the knowledge of depositor by filling the principal amount instead of the monthly or quarterly interest. This has been observed in a number of MIS fraud cases recently committed by agents who had earned the goodwill of customers and were misusing the same.

2. In view of above, a separate form of closure (SB-7A) as distinct from the SB withdrawal form (SB-7) is being introduced with effect from 01.06.2006 to minimize the chances of frauds by agents. Copies of modified withdrawal form (SB-7) and SB Closure form (SB-7A) is enclosed with this OM. **This change will come into effect from 01.06.2006 and be brought to the notice of all concerned in your Circle.**

3. Heads of Circles are requested to make preparation accordingly to print the new closure forms and revised withdrawal forms and issue necessary instructions to all concerned for information guidance and necessary action so that this change can be brought into effect from the above date. While inspecting Post Offices it may be checked that the new system is implemented.

4. Kindly acknowledge receipt.

Yours faithfully,

*Manisha Mishra*  
25/5/06  
(Manisha Mishra)  
ADG (BS&SC)



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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

At present arrangements for SB withdrawal are being made and this gives the agents an opportunity to get the application form signed by the depositor for withdrawal especially in the case of minor accounts. It is requested that the agents should ensure that the account is closed without the knowledge of depositor by filling the principal amount of the monthly or quarterly interest. This has been observed in a number of cases and the agents who had closed the accounts were instructed to get the withdrawal form signed by the depositor.

In view of this, a separate form of account (SB 74) is being issued for the SB withdrawal form. This form is being issued with effect from 01.06.2006 to ensure the closure of bank accounts. Copies of modified withdrawal form (SB-74) and SB 74 form (SB-74) is enclosed with this OM. This change will come into effect from 01.06.2006 and be brought to the notice of all concerned in due time.

Head of Offices are requested to make a mention accordingly in print the new closure form and revised withdrawal form and issue necessary instructions to all concerned for the withdrawal and necessary action so that this change can be brought into effect from the above date. With respect to Post Offices, it may be checked that the new system is implemented.

Kindly acknowledge receipt.

Yours faithfully,  
  
 (Member (D))  
 ADG (SB&ST)

एस.बी.-7 /S.B.-7 / एस.बी.-7 /S.B.-7 /

रूपमा निष्काशन का फार्म /WITHDRAWAL FORM  
इस फार्म के साथ पास बुक अवश्य होनी चाहिए  
PASS BOOK MUST ACCOMPANY THIS FORM

अदाफती आदेश /Payment Order  
दिनांक /Date \_\_\_\_\_

Pay Rs. \_\_\_\_\_ रु. अशुद्धे

(शब्दों में /in words)

डाकघर का नाम /Name of Post Office \_\_\_\_\_

खाता सं. /Account No. \_\_\_\_\_ तारीख /Date \_\_\_\_\_

/Nature of withdrawal (Please Tick)  
Interest  ब्याज  
Loan  ऋण

Advance  उगाही  
Any other (Please specify) कोई अन्य (कृपया उल्लेख करें)

कृपया मुझे /संदेशवाहक, जिसके हस्ताक्षर नीचे दिए गए हैं,  
/Pay self/messenger whose signature is given below

the sum of Rs. \_\_\_\_\_ (शब्दों में /in words)

\_\_\_\_\_ रुपये /Rs. \_\_\_\_\_ (अंकों में /in figures)  
का मुआताम करें।

इस निष्काशन के बाद /Balance after withdrawal Rs. \_\_\_\_\_ (अंकों में /in figures)  
\_\_\_\_\_ रुपये

संदेशवाहक का नाम /Name of Messenger \_\_\_\_\_

संदेशवाहक के हस्ताक्षर /Signature of Messenger \_\_\_\_\_

जमाकर्ता के हस्ताक्षर  
या अंगूठे का निशान /Signature or thumb impression of depositor

तारीख-मोहर  
Date-Stamp

पोस्ट मास्टर के हस्ताक्षर  
Signature of Postmaster

मुआताम /Acquittance

Received Rs. \_\_\_\_\_ रु. प्राप्त हुए।

तारीख  
Date \_\_\_\_\_

हस्ताक्षर  
Signature

फॉर्म नं. बी-7A (S.B.-7A)

**खाता बंद करने का फॉर्म / A/C CLOSURE FORM**

इस फॉर्म के साथ पासबुक अटेश करके देनी चाहिए  
PASS BOOK MUST ACCOMPANY THIS FORM

खाता बंद करने का नाम / Name of Post Office \_\_\_\_\_

खाता नं. / Account No. \_\_\_\_\_ तारीख / Date \_\_\_\_\_

कृपया उपरोक्त खाता बंद करने के लिए मुझे/संदेशवाहक (जिनके द्वारा फॉर्म भेजा जा रहा है) को \*अधिकृत अधिकारी और/या जमादार के साथ प्रेषित करने का अधिकार है।

..... प्रेषित करने का अधिकार है। जो ..... रु (..... रुपये) बनती है तथा प्रेषण करने के संदर्भ में वसूले जाने योग्य अन्य किसी प्रकार का समाधान करने ..... रु का हवाला है।

..... रु की जमादारी कुल (हवाला + जमादारी) ..... रु (..... रुपये) का भुगतान करने।

/Please close the above account and pay self / messenger (whose signature is given below) the interest of

Rs..... and deposit of Rs..... TOTAL (INTEREST+DEPOSIT)Rs.....

..... (Rupees) \*after adjustment of overpaid interest and/or deduction equal to .....percent of the deposit, amounting to

Rs..... (Rupees) and any other charges, recoverable in respect of the account in question immediately.

संदेशवाहक का नाम / Name of Messenger \_\_\_\_\_

संदेशवाहक के हस्ताक्षर / Signature of Messenger \_\_\_\_\_

जमादार के हस्ताक्षर या / Signature or thumb impression of depositor  
अंगूठे का निशान

फॉर्म नं. बी-7A (S.B.-7A)

**उपरोक्त आदेश / Payment Order**

तारीख / Date \_\_\_\_\_

रखाता नं. \_\_\_\_\_ करने पर जमादारी के नाम से ..... रु के हवाला और ..... रु की जमादारी, कुल निशान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

\* ..... रु से अधिक प्रदान हवाला की वसूली, ..... रु की कटौती और ..... रु से अन्य प्रकार (निनिडिटर किए जाएं), कुल निशान करने का हवाला है।

..... रु (..... रुपये) का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु से अधिक प्रदान हवाला की वसूली, ..... रु की कटौती और ..... रु से अन्य प्रकार (निनिडिटर किए जाएं), कुल निशान करने का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु (..... रुपये) का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु से अधिक प्रदान हवाला की वसूली, ..... रु की कटौती और ..... रु से अन्य प्रकार (निनिडिटर किए जाएं), कुल निशान करने का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु (..... रुपये) का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु से अधिक प्रदान हवाला की वसूली, ..... रु की कटौती और ..... रु से अन्य प्रकार (निनिडिटर किए जाएं), कुल निशान करने का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु (..... रुपये) का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु से अधिक प्रदान हवाला की वसूली, ..... रु की कटौती और ..... रु से अन्य प्रकार (निनिडिटर किए जाएं), कुल निशान करने का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु (..... रुपये) का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु से अधिक प्रदान हवाला की वसूली, ..... रु की कटौती और ..... रु से अन्य प्रकार (निनिडिटर किए जाएं), कुल निशान करने का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु (..... रुपये) का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु से अधिक प्रदान हवाला की वसूली, ..... रु की कटौती और ..... रु से अन्य प्रकार (निनिडिटर किए जाएं), कुल निशान करने का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु (..... रुपये) का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु से अधिक प्रदान हवाला की वसूली, ..... रु की कटौती और ..... रु से अन्य प्रकार (निनिडिटर किए जाएं), कुल निशान करने का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु (..... रुपये) का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु से अधिक प्रदान हवाला की वसूली, ..... रु की कटौती और ..... रु से अन्य प्रकार (निनिडिटर किए जाएं), कुल निशान करने का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु (..... रुपये) का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु से अधिक प्रदान हवाला की वसूली, ..... रु की कटौती और ..... रु से अन्य प्रकार (निनिडिटर किए जाएं), कुल निशान करने का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

..... रु (..... रुपये) का हवाला प्रदान करने का भुगतान करने की मंजूरी प्रदान की जाती है।

तारीख-मोहर / Date-Stamp

भुगतान / Acquittance

रु. हवाला प्रदान करने का भुगतान

Received Rs. \_\_\_\_\_

तारीख / Date \_\_\_\_\_

हस्ताक्षर / Signature

हस्ताक्षर / Signature



F. No. 111-14/2001-SB  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(F.S. Division)

Copy to -

Date: 25.05.2006

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

**Sub: Numbering of unlisted schedules (ASLAAS-6) by Agents in Post Office 5 year RD accounts reg.**

Sir/Madam,

In all Post Offices a number of RD Agents are attached and they make deposits by giving schedules of RD payments received from RD account holders (ASLAAS-6). Every agent may give several lists in a month. If a list is not brought into account and not kept on record, it may go undetected especially in single-handed Post Offices. This may lead to massive frauds. In view of above, a proposal on the subject above was taken up with Ministry of Finance and the same has been approved. The same is detailed in para 2 below.

2. For Financial Year 2006-07 from 1<sup>st</sup> June, 2006 ASLAAS-6 will be serially numbered by the Agent under his / her signature. The numbering of ASLAAS-6 schedules will be X/Y/L. While X and Y will represent the month and serial number of the schedule, L would represent the last schedule submitted in a month. Once the letter L is used on a schedule, it would mean that the agent would submit no more schedules in a particular month. This procedure will enable the inspecting officer to find out if there is any discrepancy in the serial number or any missing serially numbered list, which will alert the officer, and investigations can be made. From FY 2007-08 onwards the ASLAAS-6 will be serially numbered from 1<sup>st</sup> April 2007.

3. Heads of Circles are requested to make necessary preparation and issue instructions to all concerned for information and guidance so that this change can be brought into effect from the above date. While inspecting Post Offices, it may be checked that the new system is implemented.

4. Kindly acknowledge receipt.

Yours faithfully,

*Manisha Mishra*  
25/5/06  
Manisha Mishra  
ADG (BS&SC)

Government of India  
Ministry of Communications & IT  
Department of Posts

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 Principals, Postal Training Centres
  5. DDG (PG)/ DDG (VIG)
  6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
  7. All recognized Staff Unions & Associations
  8. All Accounts Officers ICO (SB)
  9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
- PS to Member (D)

Date: 22.02.2006

Sub: Numbering of unlisted schedules (ASLAA-6) accounts reg.

Sir/Madam,

In all Post Offices a number of RD Agents are attached and they make deposits by giving schedules of RD payments received from RD account holders (ASLAA-6). Every agent may give several lists in a month. If a list is not brought into account and not kept on record, it may go undetected especially in single-handed Post Offices. This may lead to massive frauds. In view of above, a proposal on the subject above was taken up with Ministry of Finance and the same has been approved. The same is detailed in para 2 below.

For Financial Year 2006-07 from 1<sup>st</sup> June, 2006 ASLAA-6 will be serially numbered by the Agent under his/her signature. The numbering of ASLAA-6 schedules will be X.Y.Z. While X and Y will represent the month and serial number of the schedule, Z would represent the last schedule submitted in a month. Once the letter Z is used on a schedule, it would mean that the agent would submit no more schedules in a particular month. This procedure will enable the inspecting officer to find out if there is any discrepancy in the serial number or any missing serially numbered list which will alert the officer, and investigations can be made. From FY 2007-08 onwards the ASLAA-6 will be serially numbered from 1<sup>st</sup> April 2007.

Heads of Circles are requested to make necessary preparation and issue instructions to all concerned for information and guidance so that this change can be brought into effect from the above date. While inspecting Post Offices, it may be checked that the new system is implemented.

Kindly acknowledge receipt.

Yours faithfully,

*(Signature)*  
Manish Mishra  
ADG (BS&SC)

No.110-1/2006-FS

Government of India  
Ministry of Communications & IT  
Department of Posts

Dak Bhavan, Sansad Marg,  
New Delhi - 110 001  
Date: 12.6.2006

To

Principal CPMGs/CPMGs  
All Postal Circles

Sub: Clarifications on the amendment to Post Office (Monthly Income Accounts) Rules, 1987.

Sir,

I am directed to refer to DO of even number dated 11.2.2006 (along with Government of India; Ministry of Finance, Department of Economic Affairs notification no.2/2/2006-NS.II dated 10.2.2006) regarding the amendments incorporated in the Post Office (Monthly Income Accounts) Rules, 1987 and to state that many circles have sought for clarifications in respect of the said amendments. Therefore, the clarifications sought on various aspects are furnished in the succeeding paras.

2. Prior to 10.2.2006, Rule 9(1) of the said rules regarding closure of accounts read as under:

"The deposit made at the time of opening of account shall be paid by the post office at which the account stands to depositor on or after expiry of six years from the date of the opening the account along with bonus equal to 10 percent of the amount deposited on production of the pass book accompanied by a written application (withdrawal form)."

3. Now on the basis of amendment made to the rules on 10.2.2006, a proviso shall be inserted below the said rule. The proviso inserted reads as under:



"Provided that no bonus shall be paid on the deposits made in the accounts opened on or after the 13<sup>th</sup> day of February, 2006."

4. In view of insertion of this proviso the position that emerges is that:

- a) No bonus is admissible to the accounts opened on or after 13.2.2006;
- b) Bonus will, however, be admissible in respect of the accounts opened till 11.2.2006. (12.2.2006 being a Sunday, the effective date will be 11.2.2006).

5. Prior to 10.2.2006, Rule 10 of the said rules regarding closure of accounts read as under:

"10. Premature closure of account: Notwithstanding anything contained in sub-rule (2) of rule 5, on an application made by the depositor in this regard, he may be permitted to withdraw the deposit and close the account any time after expiry of a period of one year from the date of opening of such account, subject to the condition that an amount equal to 3.50 per cent of the deposit shall be deducted and remainder paid to him. Provided that no such deduction shall be made if the account is closed after expiry of three years from the date of opening of such account."

6. Now on the basis of amendment made to the rules on 10.2.2006, the above mentioned text of Rule 10 has been substituted by the following text:

"10. Premature closure of account: Notwithstanding anything contained in sub-rule (2) of rule 5, on an application made by the depositor in this regard, he may be permitted to withdraw the deposit and close the account any time after expiry of a period of one year from the date of opening of such account, subject to the condition that:

- i. if the account is closed on or before expiry of three years of opening of such account, an amount equal to two per cent of the deposit shall be deducted and remainder paid to him, and
- ii. if the account is closed after expiry of three years from the date of opening of such account, an amount equal to one per cent of the deposit shall be deducted and remainder paid to the depositor."

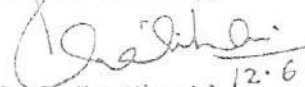
7. In view of this substitution of the text of Rule 10, the position that now emerges is that:



- a) This provision will be applicable to all the accounts closed on or after 10.2.2006, as the notification is issued on 10.2.2006;
- b) As per the earlier provisions, the account could not be closed before expiry of one year from the date of opening. On the basis of the new provisions also the account cannot be closed before expiry of one year from the date of opening;
- c) As per the earlier provisions, if the account is closed after expiry of one year from the date of opening but before three years, then amount of deduction was 3.5% (three and half percent) of the amount of deposit. As per the new provisions, this amount of deduction will be 2% (two percent) of the amount of deposit;
- d) As per the earlier provisions, if the account is closed after expiry of three years from the date of opening, there was to be no deduction. However, as per the new provisions, if the account is closed after expiry of three years from the date of opening, deduction at the rate of 1% of the amount of deposit shall be made.

8. While the provisions indicated in Government of India, Ministry of Finance, Department of Economic Affairs notification no.2/2/2006-NS.II dated 10.2.2006 sent along with DO of even number dated 11.2.2006 is very clear and there was no need for any clarification, the above clarification are being provided as certain queries have been made by some circles.

Yours faithfully,

  
( P. C. Pratihari ) 12.6.06

Assistant Director General (NSD)  
Tel. No. 011-23036336

No.25-4/2006-FS  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(F.S. Division)

Copy to -

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

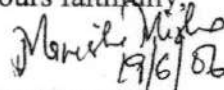
Date: 19.06.2006

**Subject:- Compliance of Service Tax regarding**

Sir/Madam,

Government of India has made Service tax applicable on Department of Posts w.e.f. 18.04.2006. Service tax @ 12% and 2% education cess on service tax charged has to be deducted by the Government Departments. Postal services covered by Service tax have been classified by under 5 main categories and Postmasters will be required to get themselves registered under these five categories and deduct service tax accordingly. 'Banking and Financial services' is one of the 5 main categories identified for Service tax. Under this category service tax will be levied on Silent account charges of POSB and Money Order service. In this regard the detailed instructions issued by DDG (PAF) vide letter no. PA/BOOK-I/06-07 dated 02.06.2006 on the subject of compliance of Service tax refers.

1. Under Banking operations, service charge of Rs. 20/- is being deducted from silent SB accounts on the last working day of each financial year. This will be covered under Service tax. The Post Office would be required to deduct Rs. 20/- (Service charge) + Service tax @ 12% and 2% education cess on service tax i.e. 12.24% from the POSB silent accounts on **31<sup>st</sup> March 2007**.
2. On the Money Order service, including iMO service, the Department has to charge Service tax at 12% on the commission and 2% on Service tax as education cess. The quarterly interest under SCSS-2004 is being paid to the depositor as one of the options through MO service of the Department on payment of MO commission by the depositor. Hence, the Post office would be required to deduct Service tax @ 12% on the MO commission and 2% on service tax as education cess i.e. 12.24% while paying the quarterly interest to Senior Citizens from this quarter i.e. April - June 2006 onwards.
3. The Postmasters will maintain separate registers for Service tax and education cess received on Money Orders and Banking Operations. As per PA Wing of the Directorate, collections made by the Department on account of deduction of service tax + education cess on the above two items will have to be booked under following head:  
  
Head:           044-00-143-01-Tax collections  
                  044-00-143-02-Other Receipts
4. It is requested that the contents of these O.M. may be circulated to all concerned for information, guidance and necessary action.
5. Kindly acknowledge receipt.

Yours faithfully,  
  
Manisha Mishra  
ADG (BS&SC)

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 Principals, Postal Training Centres
5. DDG (PG)/DDG (VIG)
6. AD (SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

Government of India has made service tax applicable on Department of Posts w.e.f. 1.8.04.2006. Service tax @ 12% and 3% education cess on service tax charged has to be deducted by the Government Departments. Postal services covered by service tax have been classified by under 5 main categories and Postmasters will be required to get themselves registered under these five categories and deduct service tax accordingly. Banking and financial services is one of the 5 main categories identified for service tax. Under this category service tax will be levied on silent account charges of POSB and Money Order service. In this regard the detailed instructions issued by DDG (PAL) vide letter no. PA/HOK-108-07 dated 02.08.2006 on the subject of compliance of service tax is as follows:

1. Under Banking operations, service charge of Rs. 20/- is being deducted from silent SB accounts on the last working day of each financial year. This will be covered under service tax. The Post Office would be required to deduct Rs. 20/- (Service charge) + service tax @ 12% and 3% education cess on service tax i.e. 12.24% from the POSB silent accounts on 31<sup>st</sup> March 2007.

2. On the Money Order service, including IMO service, the Department has to charge service tax at 12% on the commission and 3% on service tax as education cess. The quarterly interest under SCSS-2004 is being paid to the depositor as one of the options. Though IMO service of the Department on payment of MO commission by the depositor. Hence, the Post Office would be required to deduct service tax @ 12% on the MO commission and 3% on service tax as education cess i.e. 12.24% while paying the quarterly interest to depositor. Interest from this quarter i.e. April - June 2006 onwards.

3. The Postmasters will maintain separate registers for service tax and education cess received on Money Orders and Banking Operations. As per PA Wing of the Directorate, collections made by the Department on account of deduction of service tax + education cess on the above two items will have to be booked under following head:

Head: 044-00-143-01-Tax collections  
044-00-143-02-Other Receipts

4. It is requested that the contents of these O.M.s may be circulated to all concerned for information, guidance and necessary action.

2. Kindly acknowledge receipt.

Yours faithfully,  
  
 Manish Mishra  
 ADG (B&SC)

F.NO.354/59/2006-TRU (Pt II)

Government of India  
 Ministry of Finance  
 Department of Revenue  
 Tax Research Unit

\*\*\*\*

Diary No. 2244  
 डायरी नं 27/2/06  
 DDG (PAF)

To,

Shri S.K.Mishra,  
 Deputy Director General (PAF)  
 Dak Bhawan,  
 New Delhi 110 001

Sir,

**Subject: Rajya Sabha provisional starred questions Dy S601 and S614/ S636 on services provided by Dept of Posts**

Please refer to your letter DO No PA/BK/I/Service Tax/ 2006 dated 19/7/2006 and the telephonic conversation with the undersigned on the above subject.

As discussed over phone, the material to prepare reply to the above questions is given below:

- Circular no.83/1/2006-ST dated 04.07.06 has already been issued clarifying that services such as money order, postal order, operation of savings accounts provided by Department of Posts are not leviable to Service Tax under banking and other financial services defined under section 65(105)(zm) read with section 65(12) of the Finance Act, 1994. Copy of the circular is enclosed.
- The request of the postal department to exempt from service tax all the taxable services being provided by them is under examination.

This issues with the approval of Joint Secretary (TRU-II).

*[Handwritten signature]*  
 26/7  
 Dy. PAF

ADG (PAF)  
 27/7

*[Handwritten signature]*  
 27/7

*[Handwritten signature]*  
 28/7/06

Ad. Secy. I  
 pl. keep in respective file

*[Handwritten signature]*

R. Sifram, 20/7/2006  
 Deputy Secretary (TRU)

F.NO.354/59/2006-TRU  
Government of India  
Ministry of Finance  
Department of Revenue  
Tax Research Unit  
\*\*\*\*

Circular No. 83/1/2006-ST  
4<sup>th</sup> July, 2006.

To,

Chief Commissioners / Director General (All),  
Commissioners of Central Excise & Service Tax (All).

Sub: Levy of service tax on banking and financial services – Services provided by  
Department of Posts - Reg.

\*\*\*\*

I am directed to say that the scope of levy of service tax on “banking and other financial services” defined under section 65(12) of the Finance Act, 1994 and classifiable as taxable service under section 65(105)(zm) of the Finance Act, 1994 has been examined in the context of certain services provided by the Department of Posts.

2. The issue is whether or not services such as money orders, operation of bank accounts, issue of postal orders provided by Department of Posts are liable to service tax under section 65(12) read with section 65(105)(zm) of the Finance Act, 1994, as amended.

3. Banking and other financial services are defined under section 65(12). Such services provided to a customer by a banking company or a financial institution including a non-banking financial company or any other body corporate or any other person to a customer are liable to service tax under section 65(105)(zm). The expression ‘any other person’ appearing in section 65(105)(zm) is to be read **ejusdem generis** with the preceding words. The expression ‘other financial services’ appearing under section 65(12)(a)(ix) is a residuary entry and includes those services which are normally rendered by banks or financial institutions.

4. Hence, banking and other financial services provided by a banking company or a financial institution or a non-banking financial company or any other service provider similar to a bank or a financial institution are liable to service tax under section 65(105)(zm) of the Finance Act, 1994. Department of Posts is not similar to a bank or a financial institution and hence does not fall within the category of any other similar service provider.
5. In view of the foregoing, it is clarified that services such as transfer of money through money orders, operation of savings accounts, issue of postal orders provided by the Department of Posts are not liable to service tax under section 65(105)(zm) read with section 65(12) of the Finance Act, 1994.
6. Field formations may be suitably informed.
7. Trade notice may be issued for information of the trade.
8. The receipt of this circular may kindly be acknowledged.
9. Hindi version will follow.

F. NO. 354/59/2006-TRU

R. Sriram  
Deputy Secretary to the Govt of India

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

Date: 09.06.2006

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

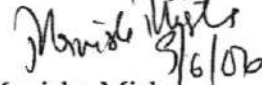
**Sub: Senior Citizen Savings Scheme (SCSS) -2004 – Issue relating to TDS - Clarification reg.**

Sir/Madam,

In continuation with SB Order No. 7/2006 the undersigned has been directed to forward herewith a copy of Ministry of Finance letter no. 2/8/2004/NS-II dated the 6<sup>th</sup> June 2006 regarding admissibility of TDS on interest payable under the Senior Citizen Savings Scheme.

2. It is requested that the contents of this SB Order may be circulated to all concerned for information, guidance and necessary action.
3. Kindly acknowledge receipt of this letter.

Yours faithfully,

  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

F.No.2/8/2004/NS-II  
 Government of India  
 Ministry of Finance  
 Department of Economic Affairs  
 (Budget Division)

North Block, Central Secretariat,  
 New Delhi-110 001 the 6<sup>th</sup> June 2006.

350  
 9/6

Subject: Senior Citizens Savings Scheme, 2004-Issues relating to TDS-clarification-reg

The issue relating to admissibility of TDS on interest payable under the Senior Citizens Savings Scheme was clarified vide this Department's letter of even number dated 28<sup>th</sup> March, 2006. Reserve Bank of India and Department of Posts had sought further clarifications on this issue. The clarifications sought for and obtained from Department of Revenue, Central Board of Direct Taxes on the subject, are as under.

Clarification Sought for	Clarification provided by C.B.D.T
1. Whether any minimum limit has been prescribed, after which TDS should be recovered?	TDS is to be made if the interest paid or payable exceeds Rs.5000/- during the financial year. TDS shall be made from the entire amount payable if it exceeds Rs.5000/- For example, if the interest paid / payable in a financial year is Rs.4000/-, no TDS shall be made. However, if the amount is Rs.25000/-, TDS shall be made at the prescribed rate on the entire amount of Rs.25000/- and not Rs.20000/-.
2. What will be the rate at which TDS should be recovered/deducted from the account holder?	The rate for TDS for a financial year is specified in Part II of Schedule I of Finance Act for that year. The prescribed rates for the financial year 2006-07 are as under. <u>In the case of a person other than a company</u> a. Person is resident of India- 10% b. Others -20% The amount so deductible shall be enhanced by surcharge calculated as per the following rate In the case of Individual, HUF, Association of Person and body of individuals - 10% if the interest paid/payable exceeds Rs.1000000/- The amount of "TDS+ Surcharge" shall be further enhanced by 2% of "TDS+Surcharge" on account of education cess.

inculcate immediately  
 C S/L

Di. F.S. 7.6.  
 Marsha

विशेष (सी.एस. & सी.)  
 A.D. G. (SS & SC)  
 स.स./Dy. No. 780  
 दिनांक/Date 09/6/06



3. Whether TDS should also be recovered from the undrawn interest payable to the legal heirs of the deceased depositors?	TDS shall be made even from any interest paid/payable to the legal heir of the account holder.
4. Whether TDS on interest payments will be applicable with retrospective or prospective basis?	The Question is not clear. However, it may be stated that TDS would be applicable from the very first day the SCS scheme was made operational, regardless of the fact the Central Government or RBI or any authority issued any circular/Notifications/Clarifications at a later stage. In case where the bank (or the Post office) does not deduct tax, which was deductible as per the provisions of the IT Act, the bank/Post office may be treated as an assessee in default for the amount not deducted and the same may be recovered from the bank/post office along with interest, apart from other consequences, as per the provisions of section 201 of IT Act.

The above clarifications issued by the Central Board of Direct Taxes may be taken in to account while making interest payments under the Senior Citizens Savings Scheme, 2004.

(P.C.Singh)

Under Secretary to the Govt. of India.

To

1. Sh. B.B.Sangma, General Manager, Reserve Bank of India, Department of Govt.& Bank Accounts, Central Office, Opp Mumbai Central Railway Station, Byeulla, Bombay-400 008.
2. Ms. P. Gopinath, Deputy Director General (FS) Department of Posts, Dak Bhavan Sansad Marg, New Delhi- 110 001.
3. Sh. Anil Bhattacharya, Joint National Savings Commissioner, National Savings Institute, 4<sup>th</sup> Floor, Seminary Hills, Nagpur-440 006.-with the request to circulate to all RDs of NSI.

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

Date: 26.06.2006

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

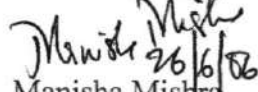
**Sub: Senior Citizen Savings Scheme (SCSS) -2004 – Issue relating to TDS - Clarification reg.**

Sir/Madam,

In continuation with SB Order No. 7/2006 dated 30.03.2006 and SB Order No. 14/2006 dated 09.06.2006 the undersigned has been directed to forward herewith a copy of Ministry of Finance letter no. 2/8/2005/NS-II dated the 23<sup>rd</sup> June 2006 regarding admissibility of TDS on interest payable under the Senior Citizen Savings Scheme.

2. It is requested that the contents of this SB Order may be circulated to all concerned for information, guidance and necessary action.
3. Kindly acknowledge receipt of this letter.

Yours faithfully,

  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

F.No.2/8/2005-NS-II  
Ministry of Finance  
Department of Economic Affairs  
Budget Division

New Delhi, the 23<sup>rd</sup> June, 2006

**Office Memorandum**

**Subject: Senior Citizens Savings Scheme, 2004 – Issues relating to TDS- Clarifications regarding-**

The following clarifications received from the Central Board of Direct Taxes on issues relating to Tax Deduction at Source (TDS) on interest payable on deposits under the Senior Citizens Savings Scheme, 2004 is hereby circulated for information and necessary action:

- i) An Individual resident in India of 65 years of age or above may furnish a declaration in Form No.15-H to the Bank/Post Office if the tax on the estimated income for the financial year is nil.
- ii) A declaration in Form No.15-G can be furnished by a depositor of less than 65 years of age, if-
  - a) the tax on the estimated total income for the financial year is nil, *and*
  - b) the aggregate amount of interest credited or paid or likely to be credited or paid during the financial year is not more than the maximum amount which is not chargeable to tax (Rs.1,00,000/- for male tax payers and Rs.1,35,000/- for female tax payers).

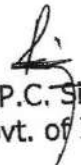
*Note:* Both the above conditions are required to be fulfilled. The information relating to deposits under the Senior Citizens Savings Scheme, 2004 may be given by the depositors in Schedule III of Form No.15-G.

iii) In suitable cases, a certificate for lower deduction or no deduction of tax at source under Section 197(1) may also be obtained by the depositors from their assessing officers.

iv) On furnishing of a declaration in Form 15-H or Form 15-G to the Bank/Post Office, no deduction of tax shall be made by the Bank/Post Office. In a case where a certificate under Section 197(1) from the Assessing Officer is furnished to them, the Banks/Post Offices shall not

deduct tax at source or, as the case may be, deduct at a lower rate as specified in the certificate.

v) In case of such tax as was not deducted by Banks/Post Offices for the financial years 2004-05 and 2005-06, it is clarified that such portion of the tax not so deducted by Banks/Post Offices, which has been paid directly by the depositors as advance tax or self-assessment tax or otherwise and for which necessary evidence is furnished by the depositors to the Bank/Post Office, such tax will not be recovered by the Income Tax Department from the Banks/Post Offices. Similarly, to the extent of the amount for which declarations in Forms 15-H and 15-G as well as certificates under Section 197(1) are available with the Banks/Post Offices, the Income Tax Department would not make recovery from the Banks/Post Offices.

  
(P.C. Singh)  
Under Secretary to the Govt. of India

To

1. Sh. B.B. Sangma, General Manager, Reserve Bank of India, Department of Govt. & Banks Account, Central Office, Opp. Mumbai Central Railway Station, Byculla, Bombay 400 008.
2. Mrs. P. Gopinath, Dy. Director General (FS), D/o Posts, Dak Bhawan, ND.
3. Sh. Anil Bhattacharya, Jt. NSC, National Savings Institute, Nagpur with the request to circulate to all RDs of NSI.

No.110-1/2006-FS  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(F.S. Division)

Date: 28.08.2006

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

**Subject:- Postal Monthly Account Scheme – Premature withdrawal of Deposits – Clarification – reg.**

Sir/Madam,

Kindly find enclosed a notification issued by Ministry of Finance, vide letter no. 2/11/2005/ NS-II dated 23<sup>rd</sup> August 2006 on the subject above.

- It is requested that the contents of this SB Order may be circulated to all concerned for information, guidance and necessary action.
- Kindly acknowledge receipt of this letter.

Yours faithfully,

*Manisha Mishra*  
28/8/06  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

Copy to –

- Director of Audit, P&T, Delhi
- ✓ All Directors/Dy. Directors of Accounts, Postal
- Director, Postal Staff College, Ghaziabad
- All Principals, Postal Training Centres
- ✓ DDG (PG)/ DDG (VIG) ✓
- ✓ AD (SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section ✓
- All recognized Staff Unions & Associations
- All Accounts Officers ICO (SB)
- Ministry of Finance (DEA) NS-II section, North Block, New Delhi
- PS to Member (D) ✓

F.No.2/11/2005/NS-II  
Government of India  
Ministry of Finance  
Department of Expenditure  
(Budget Division)

New Delhi, Dated 25<sup>th</sup> August 2006

To

Sh.A.K. Padmanabha Setty  
No. 104, 7<sup>th</sup> Main, 4<sup>th</sup> Cross,  
(Wilson Garden),  
Bangalore- 560 030.

Subject: Postal Monthly Account Scheme- Premature withdrawal of Deposits-  
Clarification-reg.

Sir,

I am directed to refer to your letter dated 19.7.2006 addressed to the Hon'ble Finance Minister on the above subject and to clarify that as per clause (b) of G.O.I Notification No. GSR 59 (E), dated 10.2.2006, deduction of one per cent of deposit on pre-mature closure of account after expiry of three years from the date of opening of account is applicable on all existing accounts as well as those accounts which are opened on or after the date of the Notification i.e., 10.2.2006.

Yours faithfully,

(P.C.Singh)

Under Secretary to the Govt.of India.

Copy for information to:

- 1 Ms.Manisha Mishra, ADG (BS&SC), Department of Posts, Dak Bhavan, Sansad Marg, New Delhi-110 001.
- 2 Jt. National Savings Commissioner, National Savings Institute, 4<sup>th</sup> Floor, C.G.O Complex, Seminary Hills, Nagpur-440006

24/08  
ADG (BS&SC)

ग. (BS & SC) 1142  
दिनांक, Date

SB ORDER NO. 17/2006

F. No. SBPG/Misc-1/2006  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(F.S Division)

31.8.2006

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

**Subject:- Opening of SB account by Cheque and deposit in multiple accounts through one cheque.**

Sir/Madam,

While scrutinizing many cases of SB Public Grievances in the F.S.Division of the Directorate, it has been observed that in many post offices SB accounts are still being opened by cheque which is against the spirit of instructions issued vide this office letter No. 35-38/88-SB dated 22.12.1989 vide which it was informed that from 1.1.1990 a SB account can only be opened by cash.

2. It has also been observed that single cheque is also being accepted for deposit in multiple accounts. This is against the POSB Rules. One cheque along with pay-in-slip can only be accepted for deposit in one account.

3. The above irregularities are leading to committing fraud by mischievous persons resulting in embarrassment to the department.

4. Heads of Circles are requested to enforce the implementation of these instructions strictly by issuing necessary instructions to all Post Offices under their jurisdiction and stern action should be taken for violation of the same. All inspecting officers should also be instructed to closely monitor implementation of these instructions while visiting post offices.

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

6. Kindly acknowledge receipt.

Yours faithfully,

  
(Kawaljit Singh)  
ASP(SBPG)

SB ORDER NO. 18/2006

F. No. SBPG/Misc-2/2006  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(FS Division)

31.8.2006

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

**Subject:- Settlement of deceased claim cases by making payment to the claimant who produced succession certificate by ignoring claim of nominee.**

Sir/Madam,

While handling SB Public Grievances in the F.S.Division of the Directorate, it has been observed that in some cases where the nomination has been registered and valid, the payment was made to the claimant who produced succession certificate from court of law.

2. Kindly refer to this office letter No. 105-26/93-SB dated 5.8.1994 vide which clarification regarding payment in the case of deceased depositors of the Savings Accounts/Savings Certificates on the basis of nomination or Succession certificate was issued.

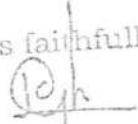
3. It is reiterated that the post office is required to give preference to the nominee over all other persons staking claims on the amount while settling deceased claims relating to Saving Accounts/Saving Certificates, where nomination exists and such payment to the nominee absolves the post office from all future liability in respect of deposits.

3. Heads of Circles are requested to enforce the implementation of the instructions issued vide this office letter No. 105-26/93-SB dated 5.8.1994 strictly by issuing necessary instructions to all Post Offices under their jurisdiction and stern action should be taken for violation of the same. All inspecting officers should also be instructed to closely monitor implementation of these instructions while visiting/inspecting post offices.

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

4. Kindly acknowledge receipt.

Yours faithfully,

  
(Kawal Jit Singh)  
ASP(SBPG)



F. No. SBPG/Misc-3/2006  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(FS Division)

4.9.2006

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

**Subject:- Amendment to Rule 26 of POSB Manual Vol-I.**

Sir/Madam,

While handling SB Public Grievances in the F.S.Division of the Directorate, **it has been observed that in some cases where the cheque is issued in the name of Postmaster for opening of a particular kind of account in the name of a person, the cheque is misused for opening of another type of account in the name of either same or another person thereby amount is misappropriated.** To safeguard the public money being misappropriated, it has been decided that all cheques presented for opening of any type of account, should bear endorsement on its back showing the category of account to be opened and name of depositor in whose name it is to be opened. For this purpose, it has been decided to add a separate clause to Rule 26 of POSB Manual Vol-I which will be read as under:-

**Rule 26 (a) (ii) The cheque should be drawn in favour of either the Postmaster to whom the application (SB-3) is presented or the depositor. If the cheque is drawn in favour of the Postmaster by the depositor or by a person other than the depositor, it must be endorsed on its back as," For opening of ..... account in the name of .....(Signature of drawer)." In case the cheque is drawn in favour of depositor, it must be endorsed by the depositor for payment to Postmaster on its back as," Pay to Postmaster.....PO for opening of.....account in the name of .....(Signature of depositor)."**

2. **This order will take effect from 15.9.2006.**

3. Heads of Circles/regions are requested to circulate **this amendment immediately and** strictly ensure its implementation by issuing necessary instructions to all Post Offices under their jurisdiction. All inspecting officers should also be instructed to closely monitor implementation of this amendment while visiting/inspecting post offices.

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

5. Kindly acknowledge receipt.

Yours faithfully,



(Kawal Jit Singh)  
ASP(SBPG)

**SB ORDER NO. 20/2006**

F. No. SBPG/Misc-4/2006  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(FS Division)

4.9.2006

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

**Subject:- Addition to Rule 11(3) of POSB Manual Vol-II.**

Sir/Madam,

While handling SB Public Grievances in the F.S.Division of the Directorate, **it has been observed that in some cases where the cheque is issued in the name of Postmaster for purchase of a particular kind of certificates in the name of a person, the cheque is misused for purchase of another type of certificates in the name of either same or another person thereby amount is misappropriated.** To safeguard the public money being misappropriated, it has been decided that all cheques presented for purchase of any type of certificates, should bear endorsement on its back showing the kind of certificates to be purchased and name of applicant in whose name it is to be purchased. For this purpose, it has been decided to substitute para two to Rule 11(3) of POSB Manual Vol-II which will be read as under:-

**Rule 11(3) Para two:-** "If the cheque is drawn in favour of the Postmaster by the applicant, it must be endorsed on its back as," For issue of.....certificates in the name of .....(Signature of drawer)." In case the cheque is drawn in favour of the applicant, it must be endorsed by the applicant for payment to Postmaster on its back as," Pay to Postmaster.....PO for issue of.....certificates in the name of .....(Signature of applicant)."


2. This order will take effect from 15.9.2006.

3. Heads of Circles/regions are requested to circulate **this amendment immediately and** strictly ensure its implementation by issuing necessary instructions to all Post Offices under their jurisdiction. All inspecting officers should also be instructed to closely monitor implementation of this amendment while visiting/inspecting post offices.

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

5. Kindly acknowledge receipt.

Yours faithfully,

  
(Kawaljit Singh)  
ASP(SBPG)

1-85  
No.79-8/2004-FS (Vol. II Pt)  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(F.S. Division)

Date: 18.09.2006

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

**Sub: Senior Citizen Savings Scheme (SCSS) –2004 Exit Option Scheme of State Bank of India – Eligibility of Exit Optees**

Sir/Madam,

Kindly find enclosed a copy of Ministry of Finance letter no. F.15/8/2005/NS-II dated 03.07.2006 on the subject above.

2. It is requested that the contents of this SB Order may be circulated to all concerned for information, guidance and necessary action.
3. Kindly acknowledge receipt of this letter.

Yours faithfully,

*Manisha Mishra*  
18/9/06  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD(SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
- ✓ 8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

No. F.15/8/2005/NS-II  
Government of India  
Ministry of Finance  
Department of Economic Affairs  
(Budget Division)

23-1

New Delhi, 3<sup>rd</sup> July 2006.

To.

General Manager  
State Bank of India  
Personal Management Department  
Corporate Centre  
State Bank Bhawan  
Madame Cama Road  
Mumbai-400 021.

Sub: Senior Citizens Savings scheme-2004 Exit Option Scheme of State Bank of India-Eligibility of Exit Optees.

Sir,

Please refer to your letter No CDO/PM/1437-A/SPL/327 dated 19<sup>th</sup> June 2006 on the above subject. This department confirms the view of SBI that officers retired under the Exit Option Scheme and who have attained the age of 55 years, but are less than 60 years, and who are getting pension from the Bank can be permitted to invest their terminal benefits in SCSS-2004 according to GOI ministry of Finance Notification dated 27<sup>th</sup> Oct 2004.

Yours faithfully,

(P.C. SINGH)

Under Secretary to the Govt. of India

Copy for confirmation: Shri A.P. Juvekar, B43/5, SBI Staff Residential Complex, Plot No 1 & 2, Sector 13, Nerul, Navi Mumbai-400 705  
2. Shri B.K. Satapathy 35, Laxmi Vihar, P.O. Sainik School, Bhubaneswar-751005 Orissa -w.r.t his letter dated 27<sup>th</sup> Jun 2006

xerox copy verified

Affirmed

**SB ORDER NO. 22/2006**

F. No. SBPG/Misc-4/2006  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(FS Division)

20.9.2006

**Corrigendum to SB Order No.20/2006**

To  
All Heads of Circles/Regions  
Directors of all PTCs/Staff College Ghaziabad  
Addl. Director General, APS, New Delhi.

**Subject:- Addition to Rule 11(3) of POSB Manual Vol-II.- corrigendum regarding.**

Sir/Madam,

I am directed to refer to this office letter of even number dated 4.9.2006 and to inform that the addition to Rule 11(3) of POSB Manual Vol-II may be revised and now read as under:-

**Rule 11(3) Para two:- "The cheque drawn in favour of the Postmaster by the applicant must be endorsed on its back as," For issue of.....certificates in the name of .....(Signature of drawer)."**

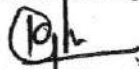
**2. This order will take effect from 30.9.2006.**

3. Heads of Circles/regions are requested to circulate **this amendment immediately and** strictly ensure its implementation by issuing necessary instructions to all Post Offices under their jurisdiction. All inspecting officers should also be instructed to closely monitor implementation of this amendment while visiting/inspecting post offices.

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

5. Kindly acknowledge receipt.

Yours faithfully,

  
(Kawal Jit Singh)  
ASP(SBPG)



No.111-14/2001-SB  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(F.S. Division)

Date: 19.09.2006

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

**Subject:- Revision of format of Account Withdrawal (SB-7) and Account Closure (SB-7A) Form reg.**

Sir/Madam,

This is in continuation of SB Order No. 11/2006 dated 25.05.2006.

2. A partial modification has been made in both the forms i.e. SB-7 and SB-7A. The revised formats of both the forms are being enclosed for information, guidance and necessary action.
3. It is requested that the contents of this SB Order may be circulated to all concerned for information, guidance and necessary action.
4. Kindly acknowledge receipt of this letter.

Yours faithfully,

*Manisha Mishra*  
19/9/06  
Manisha Mishra  
ADG (BS&SC)

Encl: As above

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 Principals, Postal Training Centres
5. DDG (PG)/ DDG (VIG)
6. AD (SB)/PG/Inspection/PF/Vigilance/ Postal Accounts Section
7. All recognized Staff Unions & Associations
8. All Accounts Officers ICO (SB)
9. Ministry of Finance (DEA) NS-II section, North Block, New Delhi
10. PS to Member (D)

(T-7) का निदेश

यदि कोई व्यक्ति अपने बैंक खाते से पैसे निकालना चाहता है तो उसे यह फॉर्म भरना पड़ेगा

### WITHDRAWAL FORM (SB-7)

**PASSBOOK MUST ACCOMPANY THIS FORM**  
**APPLICATION SIDE**  
(To be filled by depositor)

**PAYMENT ORDER**  
(For office use only)

Name of Post Office \_\_\_\_\_ Date \_\_\_\_\_

Type of account- SB/RD/TD/MIS/PPF/NSS/SCSS/PPF etc. \_\_\_\_\_

Account No. \_\_\_\_\_

**NATURE OF WITHDRAWAL** (please Tick)

Interest

RD Half withdrawal

Any other (Please specify)

Please pay to self/messenger (whose name and signatures are given below) the sum of  
Rs. \_\_\_\_\_ (In figures) Rs. \_\_\_\_\_ (In words)

Balance after withdrawal Rs. \_\_\_\_\_ (in figures)

Name of Messenger \_\_\_\_\_ Signature or thumb impression of depositor

Signature of Messenger \_\_\_\_\_

Signature or thumb impression of depositor  
(Required only if payment is required through messenger)

Initial of PA Initial of APM

Date \_\_\_\_\_

Pay Rs. \_\_\_\_\_ (In figures)

\_\_\_\_\_ (In words)

Signature of Postmaster

Date Stamp \_\_\_\_\_

**Acquittance**  
(To be filled by depositor/messenger)

Received Rs. \_\_\_\_\_  
(both in words and figures)

Signature or thumb impression

Date \_\_\_\_\_



**निकासी फार्म (एसबी-7)**

<p><b>इस फार्म के साथ पास बुक अवश्य संलग्न होनी चाहिए</b>  <b>आवेदन भाग</b>  <b>(जमाकर्ता द्वारा भरा जाए)</b></p>	
<p>डाकघर का नाम _____ तारीख _____</p>	<p><b>भुगतान आदेश</b>  <b>(कार्यालय प्रयोग हेतु)</b></p>
<p>खाते का प्रकार - एसबी/आरडी/टीडी/एमआईएस/पीपीएफ/एनएसए/एसबीएसएस/पीपीएफ आदि _____</p>	<p>_____ रु. (शब्दों में)                  तारीख _____</p>
<p>खाता सं. _____</p>	<p>अदा करें।</p>
<p><b>निकासी का स्वरूप</b> (कृपया सही का निशान लगाएं)                  ब्याज _____                  आरटी को 'द्वि' निकासी _____                  कोई अन्य (कृपया विनिर्दिष्ट करें) _____</p>	<p>_____ रु. (शब्दों में)                  तारीख मोहर _____</p>
<p>कृपया मुझे/संदेशवाहक (जिनके नाम और हस्ताक्षर नीचे दिए गए हैं) को _____ रु. (शब्दों में) _____ रु. (शब्दों में) का भुगतान करें।</p>	<p><b>भुगतान</b>                  (जमाकर्ता/संदेशवाहक द्वारा भरा जाए)</p>
<p>निकासी परचाट शेष राशि _____ (अकों में)</p>	<p>_____ रु प्राप्त किए</p>
<p>संदेशवाहक का नाम _____ जमाकर्ता के हस्ताक्षर या अंगूठे का निशान</p>	<p>_____ रु प्राप्त किए</p>
<p>संदेशवाहक के हस्ताक्षर _____</p>	<p>हस्ताक्षर अथवा अंगूठे का निशान</p>
<p>जमाकर्ता के हस्ताक्षर या अंगूठे का निशान                  (तभी आवश्यक है जबकि भुगतान संदेशवाहक के माध्यम से अंशित हो)</p>	<p>_____ तारीख _____</p>
<p>डाक सहायक के आद्याक्षर _____</p>	<p>सहायक पोस्ट मास्टर के आद्याक्षर _____</p>

**ACCOUNT CLOSURE FORM (SB-7A)**

**PASSBOOK MUST ACCOMPANY THIS FORM**

**APPLICATION SIDE**  
(To be filled by depositor)

Name of Post Office \_\_\_\_\_ Date \_\_\_\_\_

Type of account- SB/RD/TD/MIS/PPF/NSS/SCSS/PPF etc. \_\_\_\_\_

Account No. \_\_\_\_\_

Please pay to self/messenger (whose name and signatures are given below) the sum of  
Rs. \_\_\_\_\_ (In figures) Rs. \_\_\_\_\_ (In words)  
shown as balance in my passbook plus/minus interest/recoveries as admissible under the  
rules.

Name of Messenger \_\_\_\_\_ Signature or thumb impression of depositor \_\_\_\_\_

Signature of Messenger \_\_\_\_\_

Signature or thumb impression of depositor  
( Required only if payment is required through messenger)

Initial of PA \_\_\_\_\_ Initial of APM \_\_\_\_\_

**PAYMENT ORDER**

(For office use only)

Date \_\_\_\_\_

Payment detail

Principle amount Rs. \_\_\_\_\_

(+) Interest due Rs. \_\_\_\_\_

(-) Recovery of overpaid Interest Rs. \_\_\_\_\_

(-) Deduction if any Rs. (in case of premature closure ) \_\_\_\_\_

Total Amount due Rs. \_\_\_\_\_

Pay Rs. \_\_\_\_\_ (In figures) \_\_\_\_\_ (In words)

Date Stamp \_\_\_\_\_

Signature of Postmaster \_\_\_\_\_

**Acquittance**  
(To be filled by depositor/messenger)

Received Rs. \_\_\_\_\_  
(both in words and figures)

Date \_\_\_\_\_

Signature or thumb impression \_\_\_\_\_

**खाता बंद करने का फार्म (एस.बी.-7क)**

इस फार्म के साथ पास बुक अवश्य संलग्न होनी चाहिए

आवदन भाग

भुगतान आदेश (केवल कार्यालय प्रयोग हेतु)

खाता बंद करने का फार्म

(जमाकर्ता द्वारा भरा जाए)

तारीख

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खाते का प्रकार - एसबी/आरडी/टीडी/एसआईएस/ पीपीएफ/एनएसएस/एससीएसएस/वीपीएफ आदि

खाता सं. \_\_\_\_\_

शेष राशि के रूप में दर्शाई गई ब्याज/वसुलियां सहितरहित

यथाश्रद्धा धनराशि अदा करें।

जमाकर्ता के हस्ताक्षर या अंगूठे के निशान

संदेशवाहक का नाम

संदेशवाहक के हस्ताक्षर

सहायक पोस्टमास्टर के हस्ताक्षर

सहायक के आवाक्षर

तारीख

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हस्ताक्षर या अंगूठे का निशान

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भुगतान आदेश (केवल कार्यालय प्रयोग हेतु)

खाता बंद करने का फार्म

(जमाकर्ता द्वारा भरा जाए)

तारीख

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भुगतान आदेश (केवल कार्यालय प्रयोग हेतु)

खाता बंद करने का फार्म

(जमाकर्ता/संदेशवाहक द्वारा भरा जाए)

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भुगतान आदेश (केवल कार्यालय प्रयोग हेतु)

खाता बंद करने का फार्म

(जमाकर्ता/संदेशवाहक द्वारा भरा जाए)

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भुगतान आदेश (केवल कार्यालय प्रयोग हेतु)

खाता बंद करने का फार्म

(जमाकर्ता/संदेशवाहक द्वारा भरा जाए)

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

11.10.2006

To

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

**Subject:- Extension of post dated cheque facility to Senior Citizens Saving Scheme, 2004.**

Sir/Madam,

Kindly refer to this office letter No. 110-18/2002-SB dated 5.6.2006 on the subject cited above. The following amendments may be made in the said circular:-

**1. Salient features of the Scheme**

In para 3(3) the sentence " each cheque will have a validity period of three months from the due date of payment" may be substituted by the following:-  
" each cheque will be valid for the period of three months after the month of issue."

**2. Operating procedure**

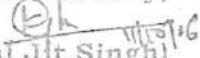
The item 9 and 10 may be substituted by the following as there is some confusion in these items:-

(9) The Head Office and Sub Post Office will maintain a record of PDCs issued on each quarter in a separate register at Annexure-I and will make corresponding entries in the concerned ledgers. A record of cheque number and amount will be noted in the 'Remarks' column of the ledger card of the account holder and in Column No. 8 of Register of PDCs issued.

(10) In Head Office in the Register of PDCs issued, a separate page in the register will be allotted to each depositor. Separate Registers will be maintained for HO accounts and SO accounts. In each register, certain pages equivalent to entry for 5+3 years of PDCs be retained for each account holder. Both HO and SO Post Dated Cheque Registers are required to be maintained in an alphabetical order, name wise. An entry of the cheques issued will be made in this register and in the remarks column of the SCSS ledger card of the depositor.

3. It is requested that the above changes in the circular cited above may kindly be circulated to all concerned for information, guidance and necessary action.

Yours faithfully,

  
(Kawal Jit Singh)  
ASP(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 Centres.
5. DDG(PG)/DDG(VIG)
6. ADG(BS)
7. AD PG/Inspection/PF/Vigilance/Postal Accounts Section
8. All Accounts Officers ICO(SE)
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. 25/2006**

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

31.10.2006

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

**Subject:- Payment of quarterly interest of Sr. citizen Saving Scheme(SCSS) to the depositors through money order service of the department.**

Sir/Madam,

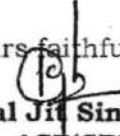
Kindly refer to this office letter of even number dated 21.11.2005 (SB order No. 21/2005) on the subject cited above. Item No. (viii) and (ix) of the operating procedure laid down may be substituted as per the following :-

**(viii). The postal assistant will get the MO booked and paste the MO receipt with the withdrawal form.**

**(ix) The MO acknowledgment when received after payment will be attached with the withdrawal form concerned kept in the SBCO.**

2. It is requested that the above changes in the circular cited above may kindly be circulated to all concerned for information, guidance and necessary action.

Yours faithfully,

  
(Kawaljit Singh)  
ASP(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 Centres.
5. DDG(PG)/DDG(VIG)
6. ADG(BS)
7. AD PG/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. 26/2006**

F. No. 110-23/2001-SB  
Government of India  
Ministry of Communications & IT  
Department of Posts  
(FS Division)

31.10.2006

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

**Subject:- Post office Monthly Income Accounts Rules 1987-  
Simplification of Procedure.**

Sir/Madam,

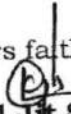
Kindly refer to this office letter of even number dated 7.1.2003  
(SB Order No. 2/2003) on the subject cited above.

2. In the Annexure to the said letter containing operating procedure for  
monthly payment through post dated cheques, the following changes may be  
made in item no. (i):-

The sentence "**Each cheque will have a validity period of three months  
from the date of maturity**" appearing at the end of this item may be  
substituted as "**Each cheque will be valid for a period of three months  
after the month of issue**". This is as per provisions contained in Rule 179  
of F.H.B. Manual Volume-I.

3. It is requested that the above changes in the circular cited above may  
kindly be circulated to all concerned for information, guidance and  
necessary action.

Yours faithfully,

  
(Kawal Jit Singh)  
ASP(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 Centres.
5. DDG(PG)/DDG(VIG)
6. ADG(BS)
7. AD PG/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. 27/2006**

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

8.11.2006

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

**Subject:- SCSS Scheme-2004- Issue relating to TDS- Clarifications regarding.**

Sir/Madam,

Kindly refer to this office **SB Order No. 15/2006** circulated vide letter of even number dated **26.6.2006** on the subject cited above.

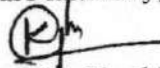
2. This office is receiving references from various quarters on furnishing of declaration in form 15-G/15-H and issue of TDS certificates to the depositors.

3. It is further clarified that form 15-G or form 15-H as applicable, is required to be furnished by the depositor once in a financial year in respect of interest drawn during the financial year. This form is to be furnished in duplicate. The second copy of the form will be sent by the Incharge of the post office concerned to the Income Tax authorities within a week after the close of the month. It should be seen that depositor has given his complete postal address in form 15-G or form 15-H. As regards issue of TDS certificate to the depositors, it should be issued as and when demanded in the prescribed form 16-A. **Specimen of Form 15-G, 15-H and 16-A are enclosed.**

4. It has also been brought to the notice of this office by Min. of Finance, Department of Economic Affairs that number of grievances are being received in that ministry relating to non-acceptance of form 15H and 15G by the post offices and continuance of tax deduction despite the depositor filing or offering to file these forms. It is once again enjoyed upon all that such action is against the provision of law, distressful to the senior citizen taxpayers and detrimental to the image of the Government. No tax deduction at source should be made where the depositor is filing 15H or 15G or a certificate under section 197(1), as the case may be, as prescribed by the Min. of Finance.

5. The above clarifications/guidelines may kindly be circulated to all concerned for information, guidance and necessary action.

Yours faithfully,

  
(Kawal Jit Singh)  
ASP(SBPG)

**Enclosure:- Form 15H, 15G & 16A**

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
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 w.r.to letter No. 2/8/2005-NS-II dated 31.10.2006.
11. PS to Member (D)

**FORM NO. 15H**  
**[See Rule 29C(1A)]**

**Declaration under sub Section (1C) of Section 197A of the Income Tax Act, 1961 to be made by an individual or a person (not being a company or a firm) claiming certain receipts without deduction of tax**

I.....  
 \*son / daughter / wife of.....  
 resident of..... @ do hereby declare:

1. that the particulars of my account under the Senior Citizens Savings Scheme and the amount of quarterly interest are as per the Schedule below:-

**SCHEDULE**

Description and details of investment	Amount invested	Date of *investment / opening of account	Estimated income to be received

2. that \*my/our present occupation is .....

3. that I am of the age of ..... Years.

4. that the tax on the estimated total income, including \*income / incomes computed in accordance with the provisions of the Income Tax Act, 1961, for the previous year ending on ..... relevant to the assessment year..... will be nil;

5. that I have not been assessed to income-tax at any time in the past but I fall within the jurisdiction of the Chief Commissioner or Commissioner of Income Tax.....

OR

That \*I was last assessed to income-tax for the assessment year..... by the Assessing Officer..... Circle / Ward / District and the permanent account number allotted me is .....

6. that I \*am/am not resident in India within the meaning of Section 6 of the Income Tax Act, 1961;

\*\*Signature of the declarant

Signature of the person responsible for paying the income referred to in Paragraph 1



Verification

I.....do hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and truly stated.

Verified today, the .....day of .....

Place :.....

\*\* Signature of the declarant

\*Delete whichever is not applicable.

Notes:-

- 1. @ Give complete postal address.
2. The declaration should be furnished in duplicate.
3. \*Delete whichever is not applicable.
4. Before signing the verification, the declarant should satisfy himself that the information furnished in the declaration is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income Tax Act, 1961, and on conviction be punishable:-

- (i) In a case where tax sought to be evaded exceeds one lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine;
(ii) In any other case, with rigorous imprisonment which shall not be less than three months but which may extend to three years and with fine.

PART-II

[For use by the person to whom the declaration is furnished]

- 1. Name and address of the person responsible for paying the income, mentioned in paragraph 1 of the declaration.
2. Date on which the declaration was furnished by the declarant.
3. Date of payment of interest from account number..... under Senior Citizen Savings Scheme.
4. Period in respect of which interest is being credited or paid.
5. Amount of interest received from Senior Citizen Savings Scheme.
6. Rate at which interest is credited / paid.

Forwarded to the Chief Commissioner or Commissioner of Income Tax.....

Place.....

Date.....

Signature of the person responsible for paying the income referred to in Paragraph I

**FORM NO. 15G**  
**[See Rule 29C]**

**Declaration under sub Section (1) and (1A) of Section 197A of the Income Tax Act, 1961 to be made by an individual or a person (not being a company or a firm) claiming certain receipts without deduction of tax**

I/We\* .....  
\*son / daughter /wife of .....  
resident of ..... @ do hereby declare:

1. that the securities or sums, particulars of which are given in Schedule III below, stand in \*my/our name and beneficially belong to \*me/us, and the \*interest in respect of such securities is not includible in the total income of any other person under section 60 to 64 of the Income Tax Act, 1961.

2. that \*my/our present occupation is .....

3. that the tax on the estimated total income computed in accordance with the provisions of the Income Tax Act, 1961 for the financial year ending on ..... will be nil;

4. the aggregate amount of interest credited or paid or likely to be credited or paid during the financial year is not more than the maximum amount which is not chargeable to tax (Rs. 1,00,000 for male tax payers and Rs. 1,25,000 for female tax payers).

5. that \*I/We have not been assessed to income-tax at any time in the past but I fall within the jurisdiction of the Chief Commissioner or Commissioner of Income Tax.....

OR

That \*I was/we were last assessed to income-tax for the assessment year..... by the Assessing Officer..... Circle / Ward / District and the permanent account number allotted me is .....

6. that I \*am/am not resident in India within the meaning of Section 6 of the Income Tax Act, 1961;

7. Particulars of securities in respect of which the declaration is being made, are as under:-

**SCHEDULE-III**

Name of Scheme.....

Name and address of the person to whom the sums are given on interest	Amount of such sums	Date on which sums were given on interest	Period for which such sums were given on interest	Rate of interest

.....  
\*\*Signature of the declarant.

**Verification**

\*I/We.....do hereby declare that to the best of \*my/our knowledge and belief what is stated above is correct, complete and truly stated.

Verified today, the .....day of .....

Place :.....

\*\* Signature of the declarant

**Notes:-**

1. @ Give complete postal address.
2. The declaration should be furnished in duplicate.
3. \*Delete whichever is not applicable.
4. #Declaration in respect of these payments can be furnished by a person (not being a company or a firm).
5. \*\*Before signing the verification, the declarant should satisfy himself that the information furnished in the declaration is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income Tax Act, 1961, and on conviction be punishable:-

(i) In a case where tax sought to be evaded exceeds one lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine;

(ii) In any other case, with rigorous imprisonment which shall not be less than three months but which may extend to three years and with fine.

**PART-II**

**[For use by the person to whom the declaration is furnished]**

1. Name and address of the person responsible for paying the income, mentioned in paragraph 1 of the declaration. -----
2. Date on which the declaration was furnished by the declaration. -----
3. Date of payment of interest from account number..... under Senior Citizen Savings Scheme.-----
4. Period in respect of which interest is being credited or paid. -----
5. Amount of interest received from Senior Citizen Savings Scheme. -----
6. Rate at which interest is credited / paid. -----

Forwarded to the Chief Commissioner or Commissioner of Income Tax.....

Place.....

Date.....

Signature of the person responsible for paying the income referred to in Paragraph I

**ANNEXURE-3  
FORM NO. 16A  
(See rule 31 (1) (b))**

**Certificate of deduction of tax at source under section 203 of the Income-tax Act,1961.**

(For interest on securities; dividends; interest on Time Deposits referred to in clause (Vii) and (Viia) of sub section (3) of section 194A; payments in respect of deposits under National Savings Scheme; payments on account of repurchase of units by Mutual Funds or Unit Trust of India; commission, remuneration of prize on sale of lottery tickets; commission or brokerage; income from units referred to in section 196B).

Name and address of the person deducting tax	TDS Circle where annual return under section 206 is to be delivered	Name and address of the person to whom payment is made or in whose account it is credited.

Tax Deduction A/c No. of the Deductor	Nature of payment	PAN/GIR NO. of the payee

PAN / GIR NO. OF THE DEDUCTOR FOR THE PERIOD ..... 19  
..... TO..... 19.....

**Details of Payment, Tax Deduction and Deposit of Tax in to Central Government Account**

Date of payment / credit	Amount paid / credited (Rs)	Amount of income-tax deducted (Rs)	Rate of which deducted	Date & Challan No. of deposit of tax into central Government Account	Name of bank and branch where tax deposited

Certified that a sum of Rs. (in words) ..... has been deducted at source and paid to the credit of the Central Government as per details given above.

Place.....

Signature of person responsible for deduction of tax

Full Name .....

Designation .....

No.110-23/2001-SB  
Government of India  
Ministry of Communications & IT  
Department of Posts

Dak Bhawan, Sansad Marg,  
New Delhi-110001.  
Date: 08.12.2006

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

**Subject:- New procedure regarding Payment of Monthly Interest of MIS account by automatic credit into savings accounts.**

Sir / Madam,

Kindly refer to **page-7 of SB Order No. 6/2002 dated 26.3.2002** vide which the procedure for Payment of Monthly Interest of MIS accounts was circulated. Under the heading (a) "**Automatic credit in savings accounts**" the procedure to be adopted for automatic credit is mentioned. As per **sub para (v)** of this procedure, on each due date, the counter assistant is to prepare withdrawal form and pay-in-slip for each MIS and SB account for which the depositor has given instructions for this purpose. It involves lot of clerical work while preparing withdrawal forms and pay-in-slips. In order to reduce this work load, it has been decided to devise following new procedure **where number of MIS and SB accounts involved in a single day exceed 5 accounts:-**

**New Procedure**

The counter Assistant will prepare lists of MIS accounts and SB accounts in triplicate on the due date in the prescribed formats given at **Annexure- A and B (enclosed)** and put up to the APM/SPM along with ledger of the concerned accounts for checking. APM/SPM will compare all the entries in the lists with concerned ledger and put his initials against each entry. The APM/SPM will prepare one withdrawal form for the total amount entered in the MIS list. Only the warrant of payment side of withdrawal form need be filled. An entry will be made at the top of the form "**For credit of interest into saving accounts**". He will sign the warrant of payment. One copy of the MIS list will be attached with MIS LOT and second copy will be attached with withdrawal form which will form part of MIS vouchers. Third copy will be retained in the office in a separate guard file. Simultaneously, APM/SPM will prepare one pay-in-slip (SB-103) for the total amount entered in the SB list under his signatures and put remark on the top of Pay-in-slip as "**By transfer of interest from MIS accounts**". One copy of the SB list will be attached with SB LOT and second copy will be attached with the pay-in-slip which will form part of SB vouchers. The third copy will be retained in the office in a separate guard file. In MIS and SB LOT, a single entry of the total amount withdrawn and credited will be made. In computerized post offices, lists of MIS and SB will be generated by software in the computer and in non-computerized post offices, these will be prepared manually.

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

Yours faithfully,



(Kawal Jit Singh)  
ASP(SBPG)

DA- 2

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
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)











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

Dak Bhawan, Sansad Marg,  
New Delhi-110001.  
Date: 22.12.2006

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

**Subject:- Acting of authorized agents as witness or messenger for withdrawal of money in various saving schemes.**

Sir / Madam,

References from various quarters are received in this office in the recent past on the matter relating to acting of authorized agents under SAS/MPKBY and PPF schemes as witness or messenger for withdrawals of money from various types of accounts opened under different saving schemes in post offices.

2. The rules and instructions regarding accepting of witness and allowing any person to act as messenger of the depositor are very clear. **As per Rule 36 of SB Manual Vol-I, acceptance of witness for identification of a depositor is subject to satisfaction of post office.**

3. As per Rule 3 of Standardized Agency System, Rule 4 of MPKBY and Rule 4 of PPF Agency Scheme framed by Min. of Finance, the scope of agency system is confined to canvassing, accepting and depositing investments for the sale of KVP/NSC(VIIIth Issue), deposits in RD/TD/MIS/PPF and SCSS schemes accounts in post offices. **Any other function such as acting as a messenger or witness for any type of withdrawal under any small saving scheme in the capacity of authorized agent is not covered under the agency rules.**

4. 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
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)

Ministry of Communications & IT  
Department of Posts

Date Bhaban, Sansad Marg,  
New Delhi-110001.  
Date: 27.12.2006

Ministry of Finance  
Addl. Secy (Genl), A.P. New Delhi

Subject: Acting of authorized agents as witness or messenger for withdrawal of money in various saving schemes.

Reference from various quarters are received in this regard in the recent past on the matter relating to acting of authorized agents in the case of SSB, MRPB and PPF schemes as witness or messenger for withdrawal of money from various types of accounts opened under different saving schemes in post offices.

The present instructions regarding acting of witness and allowing any person to act as messenger of the depositor are very clear. As per Rule 35 of SB Manual Vol-I, acceptance of witness for identification of a depositor is subject to satisfaction of post office.

As per Rule 3 of Standardized Agency System, Rule 4 of MRPBY and Rule 4 of PPF Agency Scheme framed by Min. of Finance, the scope of agency system is confined to canvassing, accepting and depositing investments for the sale of KVIC/KVAFSU/ISS/ISS/ISS deposits in RDB/ISS/PPF and SSB schemes in post offices. Any other function such as acting as a messenger or witness for any type of withdrawal under any small saving scheme in the capacity of authorized agent is not covered under the agency rules.

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

This issues with the approval of (DIP)

Yours faithfully,

(Signature)  
Assistant Superintendent Posts  
(SB&CC)

- 1. Director of Audit (P&T), Delhi
- 2. All Directors/Dy. Directors of Accounts, Post
- 3. Director Postal Staff (College), New Delhi
- 4. All Directors, Postal Training Centres
- 5. DDC (P&T), New Delhi
- 6. AD Post
- 7. AD Post (Inspection) P&T, New Delhi Accounts Section
- 8. All Accounts Officers (O&A)
- 9. All recognized Staff Unions and Associations
- 10. Min. of Finance (DIP) No-II, Sector, South Block, New Delhi.
- 11. To Member (D)

Copy 7