

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

Dak Bhawan, New Delhi-110001

Dated :-14 /02/2020

To,

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

Subject:-Amendments to procedural rules relating to National Savings Certificates/NSC-VIII Issue schemes in POSB(CBS) Manual in the light of recent changes circulated vide SB Order 13/2019 dated 18.12.2019.

Sir/Madam,

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

2. Accordingly, the corrections relating to National Savings Certificates /NSC-VIII Issue schemes are given below:-

Correction slips for National Savings Certificates in POSB (CBS) Manual

Rule 155(6):- Add sub rule (7) below this sub rule:-

(7) Registration of nomination is mandatory from date of receipt of SB order 13/2019 dated 18.12.2019. Procedure laid down for registration, cancellation or variation of nomination for other schemes shall also be applicable to National savings Certificates.

Rule 158(1):- Add sub rule (1A) below this sub rule:-

(1A) From date of receipt of SB order 13/2019 dated 18.12.2019, following rules shall apply for transfer of certificates from one holder to another:-

An account may be transferred from one individual to another, subject to the condition that the transferee is eligible to open an account under this Scheme, in the following cases, namely:-

- (i) on the death of account holder in case of a single account or on the death of all the account holders in a joint account, the amount shall be transferred to the legal heirs or the nominees as the case may be.
- (ii) on the order of the court, the account shall be transferred from the account holder to the court or to any other individual as per the orders of the court;
- (iii) on pledging, account shall be transferred in accordance with paragraph 6;
- (iv) in the event of the death of any of the account holders in a joint account, the account shall be transferred in the name of the surviving account holder or account holders, as the case may be.

Rule 159(6):- Add sub rule (7) below this sub rule:-

(7) From date of receipt of SB order 13/2019 dated 18.12.2019, below rules shall apply for pledging of certificates:-

(i) An Account may be pledged or transferred as security, on an application made by the depositor in Form-3 supported with acceptance letter from the pledgee.

(ii) Transfer of an account under this paragraph may be made to-

- (a) the President of India or the Governor of a State in his official capacity;
- (b) the Reserve Bank of India or a Scheduled Bank or a Cooperative Society, including a Co-operative Bank;
- (c) a public or private corporation or a Government company;
- (d) a local authority; or
- (e) a housing finance company approved by the National Housing Bank and notified by the Central Government:

Provided that the transfer of an account opened on behalf of a minor or a person of unsound mind shall not be permitted under this rule unless the guardian of the minor or the person of unsound mind, as the case may be, certifies in writing that the minor or the person of unsound mind, as the case may be, is alive and that the transfer is for the benefit of the minor or the person of unsound mind.

(iii) When any account is transferred as security under sub-paragraph (1), the authorized officer shall make the following endorsement in the record of the Account, including the Savings Certificate, namely:-

"Transferred as security to"

(iv) Except as otherwise provided in this scheme, the transferee of an account under this paragraph shall, until it is transferred back under sub-paragraph (5), be deemed to be the depositor.

(v) An account transferred under this paragraph may, on written authority of the transferee, be re-transferred back with the previous sanction in writing of the authorized officer and when any such retransfer is made, the authorized officer of the accounts office shall make the following endorsement in the record of the account, including Certificate, namely:-

"transferred back to....."

(vi) A blind or a person with physical infirmity making him incapable of operating the account may pledge his deposit through any literate individual whom he authorizes for this purpose.

FORM - 3

(Application for pledging of account)

To

The Postmaster/Manager

.....

Sir,

1. I/We am/are required to deposit an amount of Rs. as security with (official designation of the gazetted officer of the Government or name of the Reserve Bank of India or a Scheduled Bank, Cooperative Bank, Registered Cooperative Society, Corporation, A Government Company or Local Authority). I/We therefore request you to transfer the deposit in Account Number under National Savings Certificates (VIII issue) as security in favour of (Official Designation of the Officer or name of the Branch etc to whom the Account is being pledged as security.)

2. I/We agree that the account(s) can be encased by the pledgee when the security has been forfeited. Nomination vide registration number.....in the account stands cancelled.

Particulars of Account

Account number	Date	Name of Account office	Amount

The authority mentioned above has agreed to accept the pledge. A pledge acceptance duly signed by the competent authority as pledgee is attached.

Dated :

Signature of account holder(s)/guardian
Address

For office use only

Account number_____ has been pledged vide registration no.....dated..... and necessary entries have been marked in the record. Passbook/deposit receipt/statement of account has also been marked with pledge and returned to the account holder.

Signature of Post Master/Manager
Seal

Correction Slips for NSC-VIII Issue in POSB (CBS) Manual

Rue 169(1)(a):- add following text below this sub rule:-

From the date of receipt of SB order 13/2019 dated 18.12.2019, minimum amount for opening of account under NSC-VIII Issue scheme 2019 shall be Rs.1000/- and for opening of account for more than minimum amount, the amount shall be in multiple of Rs. 100/-.

Rule 169(1)(d):- This sub rule should be replaced with below text:-

(d) Following types of accounts can be opened under NSC-VIIIth Issue scheme 2019:-

Type of accounts.-

(i) Following types of accounts can be opened under the Scheme, namely:-

(a) **A Single Holder Type** Account may be opened by an adult for himself, or on behalf of a minor or a person of unsound mind of whom he is the guardian; or by a minor who has attained the age of ten years;

(b) **Joint A- Type** Account may be opened jointly in the names of upto three adults payable to all the holders jointly or to the survivor or survivors;

(c) **Joint B-Type** Account may be opened jointly in the name of upto three adults payable to any of the account holders or to the survivor or survivors.

(d) There shall be no limit of opening of number of accounts by an account holder.

Rule 169(j):- Replace word "item (vii) above" of this sub rule with word " item (f) above".

Rule 169(k):- This sub rule should be replaced with below text:-

(k) From date of receipt of SB order 13/2019 dated 18.12.2019, Fees to be charged for Services

(a) (i) Issue of duplicate pass book - ₹50.

(ii) Issue of statement of account or deposit receipt-₹20 in each case.

(iii) Issue of pass book in lieu of lost or mutilated certificate - ₹10 per registration.

(b) Cancellation or change of nomination - ₹50

(c) Transfer of account - ₹100

(d) Pledging of account - ₹100

GST @18% shall be charged in addition to above amount. Procedure for charging fees and accounting has been circulated vide SB Order 3/2020 dated 10.1.2020.

Rule 169(5):- This sub rule should be replaced with below text:-

(5) Post Maturity Interest:- From the date of receipt of SB order 13/2019 dated 18.9.2019, an account (certificate) which has matured but not closed, the eligible balance in the account shall continue to earn interest at the rate applicable to the Post Office Savings Account, till the closure of the account. "Eligible Balance" means the amount of balance at the credit of the account, including interest accrued thereon, after effecting recoveries on account of outstanding principal and interest, if any, in respect of a loan availed by the depositor.

Rule 169(6):- This sub rule should be replaced with below text:-

(6) Payment of maturity value:- Payment of eligible balance on maturity shall be made, at the option of depositors or guardian or nominee or legal heir, as the case may be, through any of the following means; namely:-


(a) by transfer to the Savings Bank account of the payee,

(b) by a crossed cheque,

(c) by cash, if the amount is below the limit prescribed in this regard under the Income Tax Act, 1961.

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

4. This issues with the approval of Competent Authority.


(Devendra Sharma)
Assistant director (SB)

Copy to:-

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