

F. No. FS-13/7/2020-FS
Govt. of India
Ministry of Communications
Department of Posts
(Financial Services Division)

Dak Bhawan, New Delhi-110001

Dated: 15.12.2022

To,
All Head of Circles/Regions

Subject: - Payment of maturity/pre-mature/closure amount of SB/PPF/NSS/SSA accounts into account holder's Bank Account through ECS outward credit facility - Reg.

Sir/Madam,

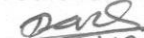
This is in continuation of SB Order No. 09/2021 dated 30.04.2021 in which facility for credit of maturity/pre-premature/interest amount through ECS outward of TDA type of accounts (MIS/SCSS/TD/RD/ KVP/NSC) into account holder's Bank account were started.

2. Necessary amendments have been made in Finacle to allow payment of maturity/pre-mature/closure amount of SBA type of accounts (SB/PPF/NSS/SSA) into account holder's Bank Account through ECS Outward Credit functionality.
3. A Detailed procedure for credit of closure value of SBA type of account through ECS outward Credit is attached as **Annexure-A**.
4. **Chennai GPO** will be the **Nodal Office** for processing of ECS Outward Credit of SBA type of accounts. Chennai GPO shall follow the existing procedure prescribed for TDA type of accounts for SBA type of Accounts also.
5. Maturity/pre-mature/closure amount of all type of National Savings Schemes can now be credited into account holders bank account through ECS outward credit facility.
6. Getting maturity/pre-mature/closure amount directly into account holders Bank Account will be helpful to the customers to save their time for collecting cheque, deposit cheque in Bank and time taken in clearance. This will substantially reduce Postmaster's cheque requirement and its indent, supply, storage, safe keeping, reconciliation and possible misuse in the post offices.
7. Postmaster's cheque shall not be issued for maturity/pre-mature/closure amount of accounts of all the schemes of POSB except KVP/NSC bulk closure through **CNSBCV**.

8. In case of exigencies, if the account holder desires payment through Postmaster's cheque, post office concerned shall obtain an application from account holder stating that "I do not want to credit my payment directly into my Bank Account through ECS outward credit, payment to be made by cheque". This application shall be attached with account closure form. However, this option is to be exercised only on rare occasions.
9. Circle shall ensure to provide necessary training to the all CBS post offices for smooth operation of ECS outward credit functionality for all type of National Savings Schemes.
10. It is requested to circulate this amendment to all post offices for information, guidance and necessary action. Same may also be placed on the notice board in the public area of all post offices. Adequate promotion of this functionality is to be undertaken to avoid cheque issuance and speedy payment to the depositors.
11. Hindi version will be issued in due course.

This issues with the approval of Competent Authority.

Yours faithfully,


15/12/2022.

(Devendra Sharma)

Assistant Director (SB-II)

Copy to:-

1. Sr. PPS to Secretary (Posts)
2. PS to Director General Postal Services.
3. PPS/ PS to Addl. DG (Co-ordination)/Member (Banking)/ Member (O)/ Member (P)/ Member (Planning & HRD)/ Member (PLI)/ Member (Tech)/AS & FA
4. Addl. Director General, APS, New Delhi
5. Chief General Manager, BD Directorate / Parcel Directorate / PLI Directorate
6. Sr. Deputy Director General (Vigilance) & CVO / Sr. Deputy Director General (PAF)
7. Director, RAKNPA / GM, CEPT / Directors of all PTCs
8. Director General P & T (Audit), Civil Lines, New Delhi
9. Secretary, Postal Services Board/ All Deputy Directors General
10. All General Managers (Finance) / Directors Postal Accounts / DDAP
11. Dy. Director, CEPT Chennai for necessary action.
11. Chief Engineer (Civil), Postal Directorate
12. All Sections of Postal Directorate
13. All recognized Federations / Unions/ Associations

Procedure for Credit of SB/PPF/NSS/SSA Maturity/Pre-mature/closure value into account holder's Bank Account

(A) Closure of account

- (i) Account holder will submit account closure form along with passbook and a cancelled cheque or copy of first page of Bank passbook at concerned post office.
- (ii) Counter PA shall tally the Account Holder's name with cancel cheque or copy of first page of passbook and account closure form.
- (iii) Counter PA shall proceed for closure of account through **HCAAC** menu.
- (iv) **HCAAC** – Select transaction type as 'Transfer' and enter Transfer account id as **SOLID+ECSOW** (for example 1100100ECSOW)
- (v) Supervisor shall verify closure of account through in **HCAAC** menu.

(B) Creation of ECS payout mandate: - After successful closure of account counter PA shall proceed for creation of ECS payout mandate as follows: -

- (i) Counter PA shall run Finacle menu - **HOTCE** Selection Function - 'Add' and click on 'GO'

Note: - Payment System ID and Transaction type are defaulted to ECS & Transfer. Same values are to be used. Error message will be displayed if any other values are entered.

(ii) HOTCE - Details Screen

- Default values
 - Customer A/c Id – Defaulted value populated of the office account in which closure proceeds get credited. This value should not be changed.
 - ECS mandate can be created only if sufficient funds are available in the office account; error will be thrown if funds are not available.
 - Transaction code, Suspense a/c Id, Currency code are filled with default values and no changes / entries are required in these fields

(iii) Following Values to be entered by user (5 fields) in HOTCE menu.

(a) Remit Amt. = Enter the exact amount of closed SB/PPF/NSS/SSA account.

(b) Transaction Remarks = In transaction remark **SOL ID- Scheme- account number** should be entered for example **56000100-PPF-010002765012**. As this will be used for audit purposes, SOL user should ensure accuracy.

(c) Destination Customer Details

- **Enter Account ID:** - Enter Account Holder's Bank Account number.
- **Account Name:** Enter Account Holder's Name.
- **MICR Code:** - Enter 9-digit MICR code (Available on cancel cheque/copy of passbook of account holder)
- Bank/branch/city details will be automatically populated based on MICR
- Click on Submit

Note down the ECS Transaction Reference number is displayed on successful creation of ECS mandate

- (iv) Supervisor shall verify the ECS Transaction reference number in HOTCE menu,
- (v) Supervisor shall cross check the correctness of the five values entered during mandate creation. If any changes are required, CPA user can modify the mandate using the reference number in **HOTCE-Modify** function.
- (vi) Supervisor will run HPR menu and print the ECS Advice report containing ECS mandate details and handover to account holder as acknowledgement.

Note: - On verification of HOTCE a transaction between SOLID+ECSOW and 600001000098 will be created in posted status. This transaction has to be verified by another user in HTM menu.

- (vii) A copy of the ECS Advice report should be printed and attached to the closure vouchers for reference.

Note: - No modifications are possible, on the mandate once verification is done. If any wrong value is entered, action can be initiated only after the mandate is sent to NACH and processed/rejected. This is similar to the existing process of ECS pay-outs.

- (viii) Chennai GPO will generate ECS credit file on next day for all such transactions and upload outward credit files to NPCI.

- (ix) The interest and maturity value will be credited in the account holder's Bank Account on D+1 basis i.e. Next working day.

(C) Reports: - The transaction carried out through ECS outward can be view through following option: -

- (i) Office account transactions report for account id **SOLID+ECSOW**
- (ii) HFTI/HFTR using transaction type as T/EO
- (iii) ECS Remittance Report at ECS Nodal SOL will include **HOTCE** transactions also.

(D) Handling of ECS Returns

- (i) ECS Outward credit might get returned due to incorrect other bank account number or account already closed.
- (ii) Nodal office (Chennai GPO) will credit the ECS return amount to Outward credit ECS Suspense account (**SOL ID+0098**) of concerned CBS Post Office. Account Number will be updated in the reference number field on next day immediately after receipt of ECS returns.
- (iii) Customer will visit concerned PO in case the amount is not credited in his/her bank account. Concerned POs will regularly check credits in ECS suspense account (SOL ID+0098).

- (iv) If any ECS is returned and credits if available in ECS suspense account (**SOL ID+0098**) concerned Post Office will intimate the depositor reason for non-credit of ECS through mobile number available with post office requesting customer to attend Post Office for collecting maturity value as cash if maturity value is below Rs.20000/-.
- (v) If the maturity credits are above Rs.20000/-, amount to be credited into Postmaster Cheque office account (**SOL ID+0340**) from ECS Suspense account (SOL ID+0098) and to be paid as Postmaster's cheque. In case of Sub Office, they will collect the cheque from their respective HO.
- (vi) PO will use CTM menu for debiting ECS Outward credit of their SOL and pay in Cash if the amount is below Rs.20000/-. If the amount is above Rs.20000/-, PO will use **CXFER** to crediting from ECS Suspense to their 0340 account for paying through cheque.
- (vii) Post office should pay Cash or Cheque ONLY if ECS return amount is available as credit in ECS Outward credit Suspense account (**SOL+0098**).

(E) Role of Circle CPCs

- (i) Chennai GPO will send mail to all CPCs on the failed ECS records daily
- (ii) Concerned CPC will guide the respective SOL to contact customer for payment through cash (if below Rs.20000/- or through cheque)
- (iii) CPC will guide the POs that ECS Suspense account is to debited only if valid credits are available.
- (iv) Circle CPC will guide the PO to modify the ECS Mandate by getting revised ECS Mandate from customer in case of ECS failure for interest credits to avoid failure in subsequent months.
- (v) CEPT Team will share list of offices where 0098 is Non-Zero on weekly basis to all CPCs/uploaded in MIS Portal. Then CPCs should forward the list to Division/Post Offices concerned.

(F) Role of SBCO

- (i) On receipt of voucher by SBCO, SBCO will generate Office account transactions report for account id **SOLID+ECSOW** and cross-check the closed account number shown in transaction particulars & transaction amount against the Long Book Detailed Report in which the actual account closure transaction is listed.
- (ii) SBCO will tally account number, MICR code available in ECS advice report with cancelled cheque leaf/copy of first page of passbook attached with account closure/premature closure form
- (iii) SBCO will also check the Non-Zero ECS outward credits office account (**SOL ID+0098**) and **SOLID+ECSOW**.

(G) Role of Inspecting Authorities.

- (i) During course of inspection of the CBS office, ECS Outward credit suspense account (**SOLID+0098**) and (**SOLID+ECSOW**) may be checked through **HACLINQ** and see that no credit is pending in these office accounts.
- (ii) In case of any discrepancy noticed, issue necessary instruction to clear pendency and record reason with result.
