

## Financial Instruments offered by Post office

<https://www.indiapost.gov.in/Financial/Pages/Content/Post-Office-Saving-Schemes.aspx>

### Interest rates (New)

Sl.No.	Instruments	Rate of interest w.e.f 01.04.2020 to 31.12.2020	Compounding Frequency*
01.	Post Office Savings Account	4.0	Annually
02.	1 Year Time Deposit	5.5(Annual Interest R. 561 on Rs. 10000 deposit)	Quarterly
03.	2 Year Time Deposit	5.5(Annual Interest R. 561 on Rs. 10000 deposit)	Quarterly
04.	3 Year Time Deposit	5.5(Annual Interest Rs. 561 on Rs. 10000 deposit)	Quarterly
05.	5 Year Time Deposit	6.7(Annual Interest R. 687 on Rs. 10000 deposit)	Quarterly
06.	5 Year Recurring Deposit Scheme	5.8 Maturity value for Rs. 100 Dn. 5 Year = 6969.67 After extension with deposit. 6 Year = 8620.98 7 Year= 10370.17 8 Year= 12223.03 9Year= 14185.73 10Year=16264.76	Quarterly
07.	Senior Citizen Savings Scheme	7.4(Quarterly interest Rs. 185 on Rs. 10000 deposit)	Quarterly and Paid
08.	Monthly Income Account	6.6(Monthly int. Rs. 55 on Rs. 10000 deposit)	Monthly and paid
09.	National Savings Certificate (VIII Issue)	6.8(Maturity Value Rs. 1389 for Rs.1000 deposit) Accrued Interest for IT purpose for Rs. 1000 Dn. 1stYear= Rs.68.00 2ndYear=Rs.72.62 3rd Year=Rs.77.56 4th Year=Rs.82.84 5th Year=Rs.88.47	Annually
10.	Public Provident Fund Scheme	7.1	Annually
11.	Kisan Vikas Patra	6.9 (will mature in 124 months)	Annually
12.	Sukanya Samriddhi Account Scheme	7.6	Annually

## Savings Account (SB)

Interest payable, Rates, Periodicity etc.	Minimum Amount for opening of account and maximum balance that can be retained
4.0% per annum on individual / joint accounts	Minimum INR 500/- for opening
<b>Salient features</b>	
<ul style="list-style-type: none"> <li>○ (a)<u>Who can open</u> :- <ul style="list-style-type: none"> <li>(i)a single adult</li> <li>(ii)two adults only (Joint A or Joint B)</li> <li>(iii)a guardian on behalf of minor</li> <li>(iv)a guardian on behalf of person of unsound mind</li> <li>(iv)a minor above 10 years in his own name</li> </ul> </li> <li>○ Only one account can be opened by an individual as a single account</li> <li>○ Only one account can be opened in the name of minor/above 10 years of age (self)/person of unsound mind</li> <li>○ In case of death of a Joint holder, the surviving holder will be the sole holder, if surviving holder already has single account in his/her name, Joint account have to be closed</li> <li>○ Conversion of single to joint account or vice versa is not allowed</li> <li>○ Nomination is mandatory at the time of opening of account</li> <li>○ Minor after attaining majority has to submit fresh account opening form and KYC documents of his/her name at concerned Post Office for conversion of the in his/her name</li> <li>○ (b)<u>Deposit and Withdrawal</u>: - All deposits/ withdrawals shall be in whole rupees only. <ul style="list-style-type: none"> <li>(i) Minimum deposit amount: - Rs. 500 (subsequent deposit not less than 10 rupees)</li> <li>(ii) Minimum withdrawal amount: - Rs. 50</li> <li>(ii)Maximum deposit: - No maximum limit</li> <li>(iii)No withdrawal will be permitted which effect reducing of minimum balance Rs. 500</li> <li>(iv) In case account balance not raised to Rs. 500 at the end of financial year Rs. 100 will be deducted as Account Maintenance Fee and if account balance became Nil the account shall stands automatically closed</li> </ul> </li> <li>○ (c)<u>Interest</u>:- <ul style="list-style-type: none"> <li>(i)Interest will be calculated on the basis of minimum balance between 10th of the month and end of the month and allowed in whole rupees only</li> <li>(ii)No interest will be allowed in a month if balance between 10th and last day of the month falls below Rs. 500</li> <li>(iii)Interest shall be credited in account at the end of each Financial Year at the interest rate prescribed by Ministry of Finance</li> <li>(iv)At the time of closure of account, interest will be paid up to the preceding month in which account is closed</li> <li>(iv)u/s 80TTA of the Income Tax Act, from all Savings Bank Accounts, interest up to Rs. 10,000 earned in a Financial Year is exempted from taxable Income</li> </ul> </li> <li>○ (d)<u>Silent Account</u>: -</li> </ul>	

- (i) If no deposit/withdrawal takes place in an account during continuous three financial years, the account shall be treated as silent/dormant
- (ii) Revival of such account can be done by submitting application along with fresh KYC documents and passbook at concerned Post Office
- (e) Additional Facilities available on PO Savings Account
- To avail below facilities on your PO Savings Account, kindly download and submit respective form at concerned Post Office
  - (i) Cheque book
  - (ii) ATM Card
  - (iii) ebanking/mobile banking
  - (iv) Aadhaar Seeding
  - (v) Atal Pension Yojana (APY)
  - (vi) Pradhan Mantri Suraksha Bima Yojana (PMSBY)
  - (vii) Pradhan Mantri Jeevan Jeevan Jyoti Bima Yojana (PMJJBY)
- Note :- (i) **Post Office Savings Account Rules 2019**  
(ii) **Government Savings Promotion General Rules 2018**

## Recurring Deposit Account (RD)

### 5-Year Post Office Recurring Deposit Account (RD)

Interest payable, Rates, Periodicity etc.	Minimum Amount for opening of account and maximum balance that can be retained
From 01.04.2020, interest rates are as follows:- <ul style="list-style-type: none"> <li>○ 5.8 % per annum (quarterly compounded)</li> </ul>	Minimum INR 100/- per month or any amount in multiples of INR 10/-. No maximum limit.

### Salient features

- (a) Who can open :-
  - (i) a single adult
  - (ii) Joint Account (up to 3 adults) (Joint A or Joint B)
  - (iii) a guardian on behalf of minor
  - (iv) a guardian on behalf of person of unsound mind
  - (iv) a minor above 10 years in his own name.
- Note:- Any number of accounts can be opened.
- (b) Deposits :-
  - (i) Account can be opened by cash/cheque and in case of cheque the date of deposit shall be date of clearance of cheque.
  - (ii) Minimum Amount for monthly deposit is Rs. 100 and above minimum in multiple of Rs. 10.
  - (iii) Subsequent deposit shall be made up to 15th day of month, if account is opened up to 15th of a calendar month.
  - (iv) Subsequent deposit shall be made up to last working day of month, if account is

opened between 16th day and last working day of a calendar month.

○ (c) Default :-

(i) If subsequent deposit is not made up to the prescribed day for a month, a default is charged for each defaulted month, default @ 1 rupee shall be charged for 100 rupee denomination account (proportionate amount for other denomination) shall be charged.

(ii) If in any RD account, there is monthly default, the depositor has to first pay the defaulted monthly deposit with default fee and then pay the current month deposit.

(ii) After 4 regular defaults, the account becomes discontinued and can be revived within two months from 4th default but if the account is not revived within this period, no further deposit can be made in such account and account became discontinued.

(iii) If there are not more than four defaults in monthly deposits, the account holder may, at his option, extend the maturity period of the account by as many months as the number of defaults and deposit the defaulted instalments during the extended period.

○ (d) Advance deposit :-

(i) If an RD account is not discontinued can made advance deposit up to 5 years in an account.

(ii) Rebate on advance deposit of at least 6 instalments (inclusive of month of deposit), for Rs. 100 denomination rebate Rs. 10 for 6 month , Rs. 40 for 12 month

(iii) The advance deposit may be made at the time of opening of the account or any time thereafter.

○ (e) Loan :-

(i) After 12 instalments deposited and account is continued for 1 year not discontinued depositor may avail loan facility up to 50% of the balance credit in the account.

(ii) Loan can be repaid in one lump-sum or in equal monthly instalments.

(iii) Interest on loan will be applicable as 2% + RD interest rate applicable to the RD account.

(iv) Interest will be calculated from date of withdrawal to date of repayment.

(v) In case loan is not repaid till the maturity, loan plus interest will be deducted from the maturity value of the RD account.

○ Note:- Loan can be taken by submitting loan application form with passbook at concerned Post Office

○ (f) Premature Closure :-

(i) RD Account can be closed prematurely after 3 years from the date of account opening by submitting prescribed application form at concerned Post Office.

(ii) PO Savings Account interest rate will be applicable if the account is closed prematurely even one day before maturity.

(iii) No premature closure of account shall be permissible until the period for which the advance deposits have been made.

○ (g) Maturity :-

(i) 5 years (60 monthly deposits) from the date of opening.

(ii) Account can be extended for further 5 years by giving application at concerned Post Office. Interest rate applicable during extension will be the interest rate at which account was originally opened.

(iii) Extended account can be closed any time during the period of extension. For completed years, RD interest rate will be applicable and for period less than a year, PO Savings Account interest rate will be applicable.

(iv) RD account can be retained up to 5 years from the date of maturity without deposit also.

○ (h) Repayment on the death of account holder :-

- (i) On the death of account holder nominee/claimant can submit claim at concerned Post Office to get the eligible balance of such RD account.
- (ii) After sanction of claim, Nominee/legal heirs can continue RD account till maturity by submitting application at the concerned Post Office.

○ Note:- **National Savings Recurring Deposit Account Rules 2019**

## Post Office Time Deposit Account (TD)

Interest payable, Rates, Periodicity etc.	Minimum Amount for opening of account and maximum balance that can be retained
Interest payable annually but calculated quarterly.	Minimum INR 1000/- and in multiple of 100. No maximum limit.

### Interest rates From 01.04.2020 to 30.06.2020

Period	Rate
1yr.A/c	5.5%
2yr.A/c	5.5%
3yr.A/c	5.5%
5yr.A/c	6.7 %

### Salient features

- (a) Who can open :-
  - (i) a single adult
  - (ii) Joint Account (up to 3 adults) (Joint A or Joint B)
  - (iii) a guardian on behalf of minor
  - (iv) a guardian on behalf of person of unsound mind
  - (v) a minor above 10 years in his own name.
- Note:- Any number of account can be opened.
- (b) Deposits :-
  - (i) Account type for 1 year, 2 year, 3 year, 5 year.
  - (ii) Account can be opened with minimum of Rs. 1000 and in multiple of Rs. 100. No maximum limit for investment.
  - (iii) Interest shall be payable annually, No additional interest shall be payable on the amount of interest that has become due for payment but not withdrawn by the account holder.
  - (iv) The annual interest may be credited to the savings account of the account holder by submitting application.
  - (v) **The investment under 5 year TD qualifies for the benefit of section 80C of Income Tax Act, 1961.**
- (c) Maturity :-
  - (i) Deposit amount shall be repayable after expiry of 1 year, 2 year, 3 year, 5 year (as the

case may be) from the date of opening.

- (d)Extension of Account :-
  - (i) On maturity depositor may further extend TD account for another tenure for which account was initially opened.
  - (ii) TD account can be extended from date of maturity within the following prescribed period.. 1 year TD = within 6 months of maturity. 2 year TD = within 12 months of maturity. 3/5 year TD = within 18 months of maturity.
  - (iii) At the time of opening of account depositor can submit request for extension of account from the date of maturity.
  - (iv)TD account can be extended after maturity by submitting prescribed application form at concerned Post Office along with passbook.
  - (v) Interest rate applicable to respective TD account on the day of maturity shall be applicable to the extended period.
- (e)Premature closure of Account :-
  - (i)No deposit shall be withdrawn before the expiry of six months from the date of deposit.
  - (ii) If TD account closed after 6 month but before 1 year, PO Savings Account Interest rate will be applicable.
  - (iii) If 2/3/5 year TD account prematurely closed after 1 year, interest shall be calculated 2 % less than of TD interest rate (i.e. 1/2/3 years) for completed years, and for part period less than a year, PO Savings Interest rates will be applicable.
  - (iv)TD account can be closed prematurely by submitting prescribed application form with pass book at concerned Post Office.
- (f)Pledging of TD account :-
  - (i) A TD account may be pledged or transferred as security, by submitting prescribed application form at concerned Post Office supported with acceptance letter from the pledgee.
  - (ii) Transfer/pledging can be made to the following authorities.
- The President of India/Governor of the State.
- RBI/Scheduled Bank/Co-operative Society/Co-operative Bank.
- Corporation (public/private)/Govt. Company/Local Authority.
- Housing finance company.
- Note:- **National Savings Time Deposit Rules 2019**

## **Post Office Monthly Income Scheme Account (MIS)**

<b>Interest payable, Rates, Periodicity etc.</b>	<b>Minimum Amount for opening of account and maximum balance that can be retained</b>
<b>From 01.04.2020, interest rates are as follows:-</b> <ul style="list-style-type: none"><li>○ <b>6.6 % per annum payable monthly.</b></li></ul>	<ul style="list-style-type: none"><li>○ In multiples of INR 1000/-</li><li>○ Maximum investment limit is INR 4.5 lakh in single account and INR 9 lakh in joint account</li><li>○ An individual can invest maximum INR 4.5 lakh in MIS (including his share in joint accounts)</li><li>○ For calculation of share of an individual in joint</li></ul>

account, each joint holder have equal share in each joint account.

### Salient features

- (a) Who can open:-
  - (i) a single adult
  - (ii) Joint Account (up to 3 adults) (Joint A or Joint B))
  - (iii) a guardian on behalf of minor/ person of unsound mind
  - (iv) a minor above 10 years in his own name.
- (b) Deposit:-
  - (i) Account can be opened with minimum of Rs. 1000 and in multiple of Rs. 100.
  - (ii) **A maximum of Rs. 4.50 lakh can be deposited in a single account and 9 lakh in Joint account.**
  - (iii) In a joint account, all the joint holders shall have equal share in investment.
  - (iv) Deposits/shares in all MIS accounts opened by an individual shall not exceed Rs. 4.50 lakh.
  - (iv) Limit for account opened on behalf of a minor as guardian shall be separate.
- (c) Interest:-
  - (i) Interest shall be payable on completion of a month from the date of opening and so on till maturity.
  - (ii) If the interest payable every month is not claimed by the account holder such interest shall not earn any additional interest.
  - (iii) In case any excess deposit made by the depositor, the excess deposit will be refunded back and only PO Savings Account interest will be applicable from the date of opening of account to the date of refund.
  - (iv) Interest can be drawn through auto credit into savings account standing at same post office, or ECS. In case of MIS account at CBS Post offices, monthly interest can be credited into savings account standing at any CBS Post Offices.
  - (v) Interest is taxable in the hand of depositor.
- (d) Pre-mature closure of account:-
  - (i) No deposit shall be withdrawn before the expiry of 1 year from the date of deposit.
  - (ii) If account is closed after 1 year and before 3 year from the date of account opening, a deduction equal to 2% from the principal will be deducted and remaining amount will be paid.
  - (iii) If account closed after 3 year and before 5 year from the date of account opening, a deduction equal to 1% from the principal will be deducted and remaining amount will be paid.
  - (iv) Account can be prematurely closed by submitting prescribed application form with pass book at concerned Post Office.
- (e) Maturity:-
  - (i) Account may be closed on expiry of 5 years from the date of opening by submitting prescribed application form with pass book at concerned Post Office.
  - (ii) In case the account holder dies before the maturity, the account may be closed and amount will be refunded to nominee/legal heirs. Interest will be paid up to the preceding month, in which refund is made.
- Note:- **National Savings (MIS) Account Rules 2019**

## Senior Citizen Savings Scheme (SCSS)

Interest payable, Rates, Periodicity etc.	Minimum Amount for opening of account and maximum balance that can be retained
<p>From 01.04.2020 , interest rates are as follows:-</p> <ul style="list-style-type: none"> <li>7.4 % per annum, payable from the date of deposit of 31st March/30th Sept/31st December in the first instance &amp; thereafter, interest shall be payable on 31st March, 30th June, 30th Sept and 31st December.</li> </ul>	<p>There shall be only one deposit in the account in multiple of INR.1000/- maximum not exceeding INR 15 lakh.</p>
Salient features	
<ul style="list-style-type: none"> <li>(a)<u>Who can open</u>:- <ul style="list-style-type: none"> <li>(i) An individual above 60 years of age.</li> <li>(ii) Retired Civilian Employees above 55 years of age and below 60 years of age, subject to condition that investment to be made within 1 month of receipt of retirement benefits.</li> <li>(iii) Retired Defense Employees above 50 years of age and below 60 years of age, subject to condition that investment to be made within 1 month of receipt of retirement benefits.</li> <li>(iv) Account can be opened as individual capacity or jointly with spouse only.</li> <li>(v) The whole amount of deposit in a joint account shall be attributable to the first account holder only.</li> </ul> </li> <li>(b)<u>Deposit</u>:- <ul style="list-style-type: none"> <li>(i) Minimum deposit shall be Rs. 1000 and in multiple of 1000, subject to maximum limit up to Rs. 15 lakh in all SCSS accounts opened by an individual.</li> <li>(ii) In case any excess deposit made in SCSS account, excess amount will be refunded immediately to the depositor and only PO Savings Account Interest rate will be applicable from the date of excess deposit to the date of refund.</li> <li>(iii) Investment under this scheme qualifies for the benefit of section 80C of Income Tax Act, 1961.</li> </ul> </li> <li>(c)<u>Interest</u>:- <ul style="list-style-type: none"> <li>(i) Interest shall be payable on quarterly basis and applicable from the date of deposit to 31st March/30th June/30th September/31st December.</li> <li>(ii) If the interest payable every quarter is not claimed by an account holder, such interest shall not earn additional interest.</li> <li>(iii) Interest can be drawn through auto credit into savings account standing at same post office, or ECS. In case of SCSS account at CBS Post offices, monthly interest can be credited into savings account standing at any CBS Post Offices.</li> <li>(iv) Interest is taxable if total interest in all SCSS accounts exceeds Rs.50,000/- in a financial year and TDS at the prescribed rate shall be deducted from the total interest paid. No TDS will be deducted if form 15 G/15H is submitted and accrued interest is not above prescribed limit.</li> </ul> </li> <li>(d)<u>Premature Closure</u>:-</li> </ul>	



- (i) Account can be prematurely closed any time after date of opening.
- (ii) If account closed before 1 year, no interest will be payable and if any interest paid in account shall be recovered from principle.
- (iii) If account closed after 1 year but before 2 year from the date of opening, an amount equal to 1.5 % will be deducted from principal amount.
- (iv) If account closed after 2 year but before 5 year from the date of opening, an amount equal to 1 % will be deducted from principal amount.
- (v) Extended account can be closed after the expiry of one year from the date of extension of the account without any deduction.
- (e) Account closure on maturity:-
  - (i) Account may be closed after 5 year from the date of opening by submitting prescribed application form with passbook at concerned Post Office.
  - (ii) In case of death of account holder, from the date of death, account shall earn interest at the rate of PO Savings Account.
  - (iii) In case spouse is a joint holder or a sole nominee, account can be continued till maturity if spouse is eligible to open SCSS account and not have another SCSS Account.
- (f) Extension of Account:-
  - (i) Account holder may extend the account for further period for 3 years from the date of maturity by submitting prescribed form with passbook at concerned post office.
  - (ii) Account can be extended within 1 year of maturity.
  - (iii) Extended account shall earn interest at the rate applicable on the date of maturity.
- Note:- **Senior Citizen Savings Scheme Rules 2019**

## 15 year Public Provident Fund Account (PPF )

Interest payable, Rates, Periodicity etc.	Minimum Amount for opening of account and maximum balance that can be retained
<p>From 01.04.2020, interest rates are as follows:-</p> <ul style="list-style-type: none"> <li>○ 7.1 % per annum (compounded yearly).</li> </ul>	<p>Minimum INR. 500/- Maximum INR. 1,50,000/- in a financial year.</p> <p>Deposits can be made in lump-sum or in installments.</p>
<b>Salient features</b>	
<ul style="list-style-type: none"> <li>○ (a) <u>Who can open:-</u> <ul style="list-style-type: none"> <li>(i) a single adult by a resident Indian.</li> <li>(ii) a guardian on behalf of minor/ person of unsound mind .</li> </ul> </li> <li>○ Note:- Only one account can be opened all across the country either in Post Office or any Bank.</li> <li>○ (b) <u>Deposit:-</u> <ul style="list-style-type: none"> <li>(i) Minimum deposit Rs. 500 in a Financial Year and Maximum deposit is Rs. 1.50 lakh in a FY</li> <li>(ii) Maximum limit of Rs. 1.50 lakh shall be inclusive of the deposits made in his/her own account and in the account opened on behalf of minor.</li> <li>(iii) Amount can be deposited in any number of installments in a FY in multiple of Rs.</li> </ul> </li> </ul>	

50 and maximum up to Rs. 1.50 lakh.

(iv) Account can be opened by cash/cheque and in case of cheque the date of realization of cheque in Govt. account shall be date of opening of account/subsequent deposit in account.

(v) Deposits qualify for deduction under section 80C of Income Tax Act.

○ (c) Discontinuation of account:-

(i) If in any financial year, minimum deposit of Rs.500/- is not made, the said PPF account shall become discontinued.

(ii) Loan/withdrawal facility is not available on discontinued accounts.

(iii) Discontinued account can be revived by the depositor before maturity of the account by deposit minimum subscription (i.e. Rs. 500) + Rs. 50 s default fee for each defaulted year.

(iv) The total deposit in a year, shall be inclusive of deposits made in respect of years of default of previous financial years.

○ (d) Interest:-

(i) Interest shall be applicable as notified by Ministry of Finance on quarterly basis.

(ii) The interest shall be calculated for the calendar month on the lowest balance in the account between the close of the fifth day and the end of the month.

(iii) Interest shall be credited to the account at the end of each Financial year.

(iv) Interest shall be credited to the account at the end of each FY where account stands at the end of FY. (i.e. in case of transfer of account from Bank to PO or vice versa)

**(v) Interest earned is tax free under Income Tax Act.**

○ (e) Loan:-

(i) Loan can be taken after the expiry of one year from the end of the FY in which the initial subscription was made.(i.e. A/c open during 2010-11, loan can be taken in 2012-13).

(ii) Loan can be taken before expiry of five years from the end of the year in which the initial subscription was made.

(iii) Loan can be taken up to 25% of balance to his credit at the end of the second year immediately preceding the year in which loan is applied. (i.e. if loan taken during 2012-13, 25% of balance credit on 31.03.2011)

(iv) Only one loan can be taken in a Financial Year.

(v) Second loan shall not be provided till first loan was not repaid.

(vi) If loan repaid within 36 month of the loan taken, loan interest rate @ 1% per annum shall be applicable.

(vii) If loan repaid after 36 month of the loan taken loan interest rate @ 6% per annum shall be applicable from the date of loan disbursement.

○ (f) Withdrawal:-

(i) A subscriber can take 1 withdrawal during a financial after five years excluding year of account opening. (if account open during 2010-11 the withdrawal can be taken during or after 2016-17)

(ii) Amount of withdrawal can be taken up to 50% of balance at the credit at the end of 4th preceding year or at the end of preceding year, whichever is lower. (i.e. withdrawal can be taken in 2016-17, up to 50% of balance as on 31.03.2013 or 31.03.2016 whichever is lower).

○ (g) Maturity:-

(i) Account will be maturity after 15 F.Y. years excluding FY of account opening.

(ii) On maturity depositor has the following options:-

(a) Can take maturity payment by submitting account closure form along with passbook

at concerned Post Office

(b) Can retain maturity value in his/her account further without deposit, the PPF interest rate will be applicable and payment can be taken any time or can take 1 withdrawal in each FY.

(c) Can extend his/her account for further block of 5 years and so on (within one years of maturity) by submitting prescribed extension form at concerned Post Office.

**(Discontinued account cannot be extended).**

(d) In extended account with deposits, 1 withdrawal can be taken in each FY subject to maximum limit 60% of balance credit at the time of maturity in the block of 5 years.

- (h) Premature closure:-
  - (i) Premature closure shall be allowed after 5 years from the end of the year in which the account was opened subject to following conditions.
    - > In case of life threatening disease of account holder, spouse or dependent children.
    - > In case of higher education of account holder or dependent children.
    - > In case of change of resident status of account holder ( i.e. became NRI).
  - (ii) At the time of premature closure 1% interest shall be deducted from the date of account opening/date of extension as the case may be.
  - (iii) Account can be closed on above conditions by submitting prescribed form along with pass book at concerned Post Office.
- (i) Death of account holder:-
  - (i) In case of death of account holder, the account shall be closed and nominee or legal heir(s) shall not be allowed to continue deposits in the account.
  - (ii) At the time of closure due to death PPF rate of interest shall be paid till the end of the preceding month in which account is closed.
- Note: - **Public Provident Fund Rules 2019**

## Sukanya Samriddhi Accounts

Interest payable, Rates, Periodicity etc.	Minimum Amount for opening of account and maximum balance that can be retained
Rate of interest 7.6% Per Annum(with effect from 01-04-2020 ),calculated on yearly basis ,Yearly compounded.	Minimum INR. 250/-and Maximum INR. 1,50,000/- in a financial year. Subsequent deposit in multiple of INR 50/- Deposits can be made in lump-sum No limit on number of deposits either in a month or in a Financial year
Salient features	
<ul style="list-style-type: none"><li>○ (a) <u>Who can open account:-</u></li><li>○ -&gt; By the guardian in the name of girl child below the age of 10 years.</li><li>○ -&gt; Only one account can be opened in India either in Post Office or in any bank in the name of a girl child.</li><li>○ -&gt; This account can be opened for maximum of two girls in a family. Provided in</li></ul>	

case of twins/triplets girls birth more than two accounts can be opened.

- (b) Deposits:-
  - (i) Account can be opened with minimum initial deposit Rs. 250.
  - (ii) Minimum deposit in a FY is Rs. 250 and maximum deposit can be made up to Rs. 1.50 lakh (in multiple of Rs.50) in a FY in lumpsum or in multiple installments.
  - (iii) Deposit can be made maximum up to completion of 15 years from the date of opening.
  - (iv) If minimum deposit Rs. 250 is not deposited in a account in a FY , the account shall be treated at defaulted account.
  - (v) Defaulted account can be revived before completion of 15 years from the date of opening of account by paying minimum Rs. 250 + Rs. 50 default for each defaulted year.
  - (vi) Deposits qualify for deduction under section 80C of Income Tax Act.
- (c) Interest:-
  - (i) The account will earn on the prescribed rate notified by Ministry of Finance on quarterly basis.
  - (ii) The interest shall be calculated for the calendar month on the lowest balance in the account between the close of the fifth day and the end of the month.
  - (iii) Interest shall be credited to the account at the end of each Financial year.
  - (iii) Interest shall be credited to the account at the end of each FY where account stands at the end of FY. (i.e. in case of transfer of account from Bank to PO or vice versa)
  - (iv) Interest earned is tax free under Income Tax Act.**
- (d) Operation of Account:-
- -> Account will be operated by the guardian till the girl child attains the age of majority (i.e. 18 years).
- (e) Withdrawal:-
  - (i) Withdrawal may be taken from account after girl child attains age of 18 or passed 10th standard.
  - (ii) withdrawal may be taken up to 50% of balance available at the end of preceding F.Y.
  - (iii) withdrawal may be made in one lump sum or in installments, not exceeding one per year, for a maximum of five years, subject to the ceiling specified and subject to actual requirement of fee/other charges.
- (f) Premature closure:-
  - (i) Account may be prematurely closed after 5 years of account opening on the following conditions : -
    - -> On the death of account holder. (from date of death to date of payment PO Savings Account interest rate will be applicable).
    - -> On extreme compassionate grounds
      - (i) Life threatening decease of a/c holder.
      - (ii) Death of the guardian by whom account operated.
      - (iii) Complete documentation and application required for such closure.
    - (vi) For premature closure of account submit prescribed application form along with pass book at concerned Post Office.
- (g) Closure on maturity:-
  - (i) After 21 years from the date of account opening.
  - (ii) Or at the time of marriage of girl child after attaining age of 18years.(1 month before or 3 month after date of marriage).

- Note:- Sukanya Samriddhi Account Rules 2019

## National Savings Certificates (NSC)

Scheme	Interest payable, Rates, Periodicity etc.	Minimum Amount for opening of account and maximum balance that can be retained
National Savings Certificates (NSC)	From 01.04.2020, interest rates are as follows:-	Minimum of Rs. 1000/- and in multiples of Rs. 100/- No Maximum Limit
5 Years National Savings Certificate (VIII Issue)	<ul style="list-style-type: none"> <li>○ 6.8 % compounded annually but payable at maturity.</li> <li>○ INR 1000/- grows to INR 1389.49 after 5 years</li> </ul>	

### Salient features

- (a) Who can open :-
  - (i) a single adult
  - (ii) Joint Account (up to 3 adults)
  - (iii) a guardian on behalf of minor or on behalf of person of unsound mind
  - (iv) a minor above 10 years in his own name.
- (b) Deposit:-
  - (i) Minimum Rs. 1000 and in multiple of Rs. 100 , no maximum limit.
  - (ii) Any number of accounts can be opened under the scheme.
  - (iii) Deposits qualify for deduction under section 80C of Income Tax Act.**
- (c) Maturity:-
  - > The deposit shall mature on completion of five years from the date of the deposit.
- (d) Pledging of account:-
  - (i) NSC may be pledged or transferred as security, by submitting prescribed application form at concerned Post Office supported with acceptance letter from the pledgee.
  - (ii) Transfer/pledging can be made to the following authorities.
    - -> The President of India/Governor of the State.
    - -> RBI/Scheduled Bank/Co-operative Society/Co-operative Bank.
    - -> Corporation (public/private)/Govt. Company/Local Authority.
    - -> Housing finance company.
- (e) Premature closure:-
  - > NSC may not be prematurely closed before 5 years except the following conditions : -
    - (i) On the death of a single account, or any or all the account holders in a joint account
    - (ii) On forfeiture by a pledgee being a Gazetted officer.
    - (iii) On order by court.
- (f) Transfer of account from one person to another person:-

-> NSC may be transferred from one person to another person on the following conditions only.

- (i) On the death of account holder to nominee/legal heirs.
- (ii) On the death of account holder to joint holder(s).
- (ii) On order by the court.
- (iii) On pledging of account to the specified authority.

- Note:- **National Savings Certificate VIII Issue Rules 2019**

## Kisan Vikas Patra (KVP )

Interest payable, Rates, Periodicity etc.	Minimum Amount for opening of account and maximum balance that can be retained
<p>From 01.04.2020, interest rates are as follows:-</p> <ul style="list-style-type: none"> <li>○ 6.9 % compounded annually</li> <li>○ Amount Invested doubles in 124 months (10 years &amp; 4 months)</li> </ul>	<p>Minimum of Rs. 1000/- and in multiples of Rs. 100/- No Maximum Limit.</p>
Salient features	
<ul style="list-style-type: none"> <li>○ (a) <u>Who can open</u> <ul style="list-style-type: none"> <li>(i) a single adult</li> <li>(ii) Joint Account (up to 3 adults)</li> <li>(iii) a guardian on behalf of minor or on behalf of person of unsound mind</li> <li>(iv) a minor above 10 years in his own name.</li> </ul> </li> <li>○ (b) <u>Deposit</u> <ul style="list-style-type: none"> <li>(i) Minimum Rs. 1000 and in multiple of Rs. 100 , no maximum limit.</li> <li>(ii) Any number of accounts can be opened under the scheme.</li> </ul> </li> <li>○ (c) <u>Maturity</u> <p>-&gt; The deposit shall mature on the maturity period prescribed by the Ministry of Finance from time to time as applicable on the date of deposit.</p> </li> <li>○ (d) <u>Pledging of account</u> <ul style="list-style-type: none"> <li>(i) KVP may be pledged or transferred as security, by submitting prescribed application form at concerned Post Office supported with acceptance letter from the pledgee.</li> <li>(ii) Transfer/pledging can be made to the following authorities. <ul style="list-style-type: none"> <li>-&gt; The President of India/Governor of the State.</li> <li>-&gt; RBI/Scheduled Bank/Co-operative Society/Co-operative Bank.</li> <li>-&gt; Corporation (public/private)/Govt. Company/Local Authority.</li> <li>-&gt; Housing finance company.</li> </ul> </li> </ul> </li> <li>○ (e) <u>Premature closure</u> <p>-&gt; KVP may be prematurely closed any time before maturity subject to the following</p> </li> </ul>	

conditions : -

- (i) On the death of a single account, or any or all the account holders in a joint account
- (ii) On forfeiture by a pledgee being a Gazette officer.
- (iii) When order by court.
- (iv) After 2 years and 6 months from the date of deposit.
- (f) Transfer of account from one person to another person.  
-> KVP may be transferred from one person to another person on the following conditions only.
  - (i) On the death of account holder to nominee/legal heirs.
  - (ii) On the death of account holder to joint holder(s).
  - (ii) On order by the court.
  - (iii) On pledging of account to the specified authority.
- Note:- **Kisan Vikas Patra Rules 2019**

## How to avail services

- (a) How to open account
  - (i) Submit the following forms/documents duly signed and filled at desired Post Office.
    - Account Opening Form
    - KYC Form (For new customer/modification in KYC details))
    - PAN Card
    - Aadhaar card, if aadhar is not made available the following document may be submitted.
      - 1. Passport 2. Driving license 3. Voter's ID card 4. Job card issued by MNREGA signed by the State Government officer 5. Letter issued by the National Population Register containing details of name and address.
    - Proof of date of birth/birth certificate in case of minor account. (Birth certificate is mandatory in Sukanya Samriddhi Account).
    - For Joint Account, KYC documents for all joint holders to be submitted.
    - For minor account, KYC detail of guardian to be submitted .
  - (ii) Conversion of Joint account to single account or vice versa is not allowed.
  - (iii) After attaining majority, minor has to submit fresh account opening form sand KYC document at concerned Post Office for conversion of the in his/her name.
  - (iv) For investment above Rs. 10 lakh as per Prevention of Money Laundering Act-2002 proof of source of fund is to be submitted.
  - (v) For Sr. Citizens VRS account the proof of receipt of retirement benefits is to be submitted.
  - (vi) NRI, Trust, Firm, Institutions/post/company etc are not eligible for opening of account under any National (Small) Savings Scheme.
  - (vii) At present account can be opened in PPF/SCSS/MIS/KVP/NSC in branch Post offices through Cheque only.
- (b) ebanking/mobile banking.
  - (i) ebanking/mobile banking facility can be availed on PO Savings Account by submitting prescribed form duly signed at concerned Post Office.

(ii) after enabling these facilities by concerned Post Office, the account holder will get activation code within 48 hours of account opening to proceed further in “New User Activation” option at <https://www.ebanking.indiapost.gov.in>

(iii) The following facilities are available in ebanking.

- Opening of Recurring Deposit/ Time Deposit account.
- Deposit in RD/PPF/SSA/SB Accounts standing in CBS Post Offices.
- Taking RD Loan/ PPF Withdrawal
- Repayment of RD Loan/PPF Loan.
- View/Print of transaction details of all Small Savings Schemes linked account of the customer.
- Stop cheque request.
- Mini statement.
- (c) Nomination

(i) Nomination is mandatory at the time of account opening and can be made for up to 4 individuals.

(ii) Change in nomination may be made by submitting prescribed application form at concerned Post Office along with prescribed fee. (i.e. Rs. 50+GST) .

- (d) Transfer of Accounts

(i) Account can be transferred from any CBS Post Office to another CBS Post Office.

(ii) PPF/SSA/SCSS account can be transferred from Bank to Post Office or vice versa.

(iii) For transfer of account, submit prescribed application form along with pass book and prescribed fee (Rs. 100+GST) at concerned Post Office.

- (e) Maturity Payment

(i) Maturity value can be paid by the following modes:-

- (a) Below 20000 - by Cash.
- (b) Rs.20,000/- or above, By Account Payee Cheque or Transfer to PO Savings Account

(ii) To get maturity payment, submit account closure form along with pass book at concerned Post Office

- (f) Death Claim

(i) In the event of death of the depositor, the payment can be made on the basis of following.

(i.i) Nomination :- Following documents to be submitted at concerned Post Office by the nominee(s).

- Claim Form
- Death certificate of account holder(s).
- Passbook/certificate.
- Id and address proof of the nominee.
- ID and address proof of two witnesses.

(i.ii) Legal evidence, (Probate of will, Letter of Administration, Succession Certificate)

- Claim Form
- Original/certified copy of legal evidence.



- Death certificate of account holder(s).
- Passbook/certificate.
- Id and address proof of the claimant(s).
- ID and address proof of two witnesses.
- (i.iii) Without nomination or legal evidence up to Rs. 5 lakh.
- Claim Form
- Death certificate of account holder(s).
- Passbook/certificate.
- Affidavit (Form-13)
- Letter of disclaimer (Form-14)
- Letter of indemnity (Form-15)
- Id and address proof of the claimant(s).
- Self attested copy of ID and address proof of two witnesses.

### **Schedule of Fee**

- Issue of duplicate pass book - Rs. 50.
- Issue of statement of account or deposit receipt-Rs. 20 in each case.
- Issue of pass book in lieu of lost or mutilated certificate –Rs. 10 per registration.
- Cancellation or change of nomination –Rs. 50
- Transfer of account – Rs. 100
- Pledging of account – Rs. 100
- Issue of cheque book in Savings Bank Account – No fee for upto 10 leaves in a calendar year and thereafter at Rs. 2 per cheque leaf.
- Charges on dishonour of cheque-Rs. 100

Tax as applicable on the above service charges shall also be payable

### **Notes and Disclaimer:**

1. Compiled from India Post Web Site by [paramanuseniorshealth.org](http://paramanuseniorshealth.org)
2. The viewers may visit the web site of India Post or the Post Master of nearest Post Office for latest interest rates and regulations modified if any.