

Deposit Scheme for Retiring Employees of Public Sector Companies, 1991

UNION OF INDIA

India

Deposit Scheme for Retiring Employees of Public Sector Companies, 1991

Rule

DEPOSIT-SCHEME-FOR-RETIRING-EMPLOYEES-OF-PUBLIC-SECTOR of 1991

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Deposit Scheme for Retiring Employees of Public Sector Companies, 1991 This Scheme has been notified for the purpose of Section 10(15)(iv), item (i) of the Income-tax Act, 1961.

1981.

1. Notification No. 2/19/89-NS-II, dated 12-12-1990 - The Government of India hereby notifies following Deposit Scheme with effect from 1-1-1991 until further orders:

2. Short title.

- This Scheme may be called Deposit Scheme for Retiring Employees of Public Sector Companies, 1991.

3. Definition.

- In this Scheme, unless the context otherwise requires, (a) Account means an account opened under this scheme. (b) Accounts Office means any authorised branch of State Bank of India or its subsidiaries or any other nationalised banks. (c) Depositor means a retired employee of Public Sector Company by whom or on whose behalf money is deposited in an account and deposit means money so deposited. (d) Public Sector Company means any Corporation established by or under any Central,

State or Provincial Act or a Government company as defined in section 617 of the Companies Act, 1956.(e)Retirement benefits means any payment due to the depositor on account of his retirement whether on superannuation or otherwise and includes following payments:(i)Balance at the credit of employee in any of the Contributory Provident Funds, including employers share.(ii)Retirement/Superannuation gratuity.(iii)Cash equivalent of leave.(iv)Savings element of Group Savings Linked Insurance Scheme payable by employer to the employee on retirement.(v)Retirement-cum-withdrawal benefit under the Employees Family Pension Scheme, 1971.(vi)[Commuted value of pension, if any, payable by the public sector company.] [Inserted by G.S.R. 233(E), dated 23rd April, 1991 (w.e.f. 24th April, 1991)]

4. Opening of account.

(a)Any depositor may open an account with any accounts office within three months from the date of receiving the retirement benefits [or up to 30-9-1991, whichever is later] [Inserted by G.S.R. 232(E), dated 23rd April, 1991 (w.e.f. 24th April, 1991)], for depositing the amount not exceeding the total retirement benefits, by applying in Form 1, or as near thereto as possible together with:(i)a locally payable cheque, pay order or demand draft, for the amount of deposit, and(ii)a certificate from the employer indicating retirement benefits :Provided that a depositor who has received the retirement benefits before the notification of this Scheme, may open an account within [six] [Substituted for the word three by G.S.R. 233(E), dated 23rd April, 1991 (w.e.f. 24th April, 1991)] months from the date of commencement of the scheme :Provided further that where the amount of deposit does not exceed Rs. 5 lakhs, and affidavit on stamped paper signed by the depositor indicating the amount of retirement benefits received by him shall be accepted in lieu of a certificate from the employer.(iii)A certificate from employer that the company is Public Sector Company as per clause 3(d).(b)On receipt of an application under sub-paragraph (a) above, the accounts office shall open an account in the name of depositor and issue him a provisional receipt.(c)After realisation of the cheque, pay order or demand draft, as the case may be, a pass book in Form 2, shall be issued in exchange for the provisional receipt indicating the name of the depositor, his address, the amount of deposit(s) made, and account number, duly initialled by an authorised official of the accounts office.(d)Date of realisation of the cheque, pay order or demand draft shall be the date of deposit and the deposit shall be deemed to be made on that date only.(e)A depositor may open only one account under this scheme provided that where the retirement benefits shall have been received on different dates, more than one deposit can be made in this account. Such deposit shall be made within three months from the date of receiving that retirement benefit from the Public Sector Company.

5. Deposits and withdrawals.

(a)The account shall be opened with a deposit of a minimum of one thousand rupees, and all deposits will be in multiples of one thousand rupees.(b)All withdrawals shall be in the multiples of one thousand rupees.(c)A depositor may, at his option, withdraw by applying in Form 3 or as near thereto as possible, the entire balance or part thereof after the expiry of three years from the date of deposits. Where depositor elects to make part withdrawal, the balance amount will be held as a deposit in the account.(d)The depositor may also make premature withdrawal of principal amount

subject to the conditions specified in paragraph 7.(e) There shall not be more than one withdrawal in respect of a deposit in a calendar year.

6. Interest on deposits.

(a) All deposits made in accordance with this scheme shall carry interest at the rate of 9% per annum from the date of respective deposits. The interest will be paid from the date of deposit to 30th June/31st December, as the case may be, and thereafter, interest will be paid half yearly on the 30th June and 31st December. The interest in fraction of a rupee will be rounded off to the next higher rupee : (b) Where on expiry of three years, the account is continued, the balance amount in the account will earn interest at the same rate till the account is closed : (c) If so authorised interest payable every six months may be deposited by accounts office in a separate savings account opened by depositor at the accounts office. (d) Interest due on the deposits but not drawn on due date will continue to earn interest at 9% as applicable to principal amount, so long as the interest remains in deposit :

7. Premature withdrawals.

(a) No withdrawal can be made by the depositor during the first year from the date of the deposit. (b) Where depositor makes a withdrawal of any amount after expiry of one year but before expiry of three years from the date of deposit, the interest on amount withdrawn will be payable at the rate of 4% from date(s) of deposit up to the date of withdrawal, interest at 9%, if already paid, being adjusted at the time of withdrawal.

8. Joint accounts and nominations.

(a) The account may be opened by the depositor either in his name or jointly with his spouse. (b) Where the account is held in a single name : (i) The depositor may at the time of opening the account or any time thereafter, but before closure of the account, nominate in Form 4, a person or persons, who in the event of his death shall receive the payment due on the account. (ii) A nomination made by depositor may be cancelled or varied by a fresh nomination in Form 5 by giving notice in writing to accounts office in which account stands. (iii) Every nomination and every cancellation or variation thereof shall be registered in the accounts office and shall be valid from the date of such registration, the particulars of which shall be entered in the Pass Book.

9. Closure of account.

(a) The account may be closed by the depositor on or after the expiry of three years from the date of initial deposit or last deposit where more than one deposit is made in the account. (b) If the depositor dies within the period of three years, or thereafter, the account shall be closed as soon as death is reported to the bank and the amount paid to the nominee. Where, however, the deposit account is held jointly with the spouse or where the sole nominee is the spouse of the depositor, the spouse may, at his/her option, request for continuance of the account and the account then shall be

continued in the name of such spouse on same terms and conditions as applicable to account.

10. Pass Book.

- The pass book shall be presented to accounts office at the time of collecting interest and also at the time of withdrawal and closure.

11. Transfer from one accounts office to another.

- A depositor may apply for transfer of his account from one accounts office to another accounts office due to change of his residence.

12. Issue of duplicate pass book.

- In the event of loss or destruction of a pass book issued by an accounts office, the office may, on an application made to it in this behalf, and on payment of rupee one by the depositor, issue a duplicate thereof to him.

13. Power to relax.

- Where the Central Government is satisfied that the operation of any of the provisions of this Scheme causes undue hardship to a subscriber, it may, by order, for reasons to be recorded in writing, relax the requirements of this provision. FORM NO. 1 (See para 4) Name and address of Bank Form of application for opening an account under the Deposit Scheme for Retiring Employees of Public Sector Companies, 1991. Name and Agency No. of agent introducing the account..... Signature of agent..... To, The Manager, (Name of the Bank)..... (Address)..... Sir,

1. I hereby apply for opening an account under the Deposit Scheme for Retiring employees of Public Sector Companies, 1991, in my name and tender herewith Rs..... (Rupees.....) through cheque/pay order/demand draft as the initial deposit.

Permanent address of depositor.....

2. I agree to abide by the provisions of the above Scheme.

3. I hereby declare that I am not maintaining

4. A copy of certificate from the employer indicating retirement benefits is enclosed/an affidavit on stamped paper, indicating retirement benefits is enclosed (applicable for deposits not exceeding rupees five lakhs).

5. I nominate the persons mentioned below to whom, to the exclusion of all other persons, in the event of my death, the amount standing to my credit in the account would be payable.

S.No.	Name(s) of the nominee(s)	Full address(es)	Date of birth of nominee(s) in the case in minor(s)	Proportionate amount for each nominee
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As the nominee(s) at serial No.(s). I appoint Shri/Smt/Kumari.....to receive the sum due under the said account in the event of my death during the minority of the nominee(s). Signature of witness :Name and address :Date.....DepositorFor the use of accounts officeThe account has been opened on.....with Rs.....under the Deposit Scheme for Retiring Employees of Public Sector Companies, 1991, Account Pass book No.....has been issued.Authorised OfficerDate.....FORM No. 2[See para 4(c)]Form of pass book to be issued to the depositor under the Deposit Scheme for Retiring Employees of Public Sector Companies, 1991.Cover page(Obverse)Deposit Scheme for Retiring employees of Public Sector Companies, 1991Serial No.....Name and address of bank.....Name of the account holder.....Account No.....Ledger No.....Folio No.....Cover page(Reverse)Account No.....Name.....Address.....Date of issue.....Particulars regarding nomination

S.No.	Name of the nominee	Permanent address	Date of birth of nominee in case of minor
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(Signature of issuing authority)Manager(Name of the bank)Form fo pages inside the book.

Date	Particulars	Amount	Amount deposited	Amount withdrawn	Interest paid	Balance	Signature
1	2	3	4	5	6	7	8

FORM NO. 3[See para 5(c)]Application for withdrawal under the Deposit Scheme for Retiring Employees of Public Sector Companies, 1991.To,The Manager(Name of the Bank).....(Address).....I wish to withdraw from the Deposit Scheme for Retiring Employees of Public Sector Companies, 1991, Account No.....a sum of Rs.....(Rupees.....)A period of.....years have expired from the date of deposit.

2. The pass book No.....is enclosed.

Date.....Place.....Signature or Thumb impression of depositorFORM No. 4[See para 8]Nomination under the Deposit Scheme for Retiring Employees of Public Sector Companies,

1991.To,The Manager,(Name of the Bank).....(Address).....I.....hereby nominate the person(s) mentioned below to whom, to the exclusion of all other persons, in the event of my death, the amount standing to my credit in the account under the Deposit Scheme for Retiring at the time of my death would be payable.

S.No.	Name(s)of the nominee(s)	Fulladdresses(es)	Dateof birth of nominee(s) in case of minor	Proportionateamount for each nominee.
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As the nominee(s) at serial No.(s).....specified above is/are minor(s). I appoint Shri/Smt/Kumari.....address.....to receive the sum due under the said account in the event of my death during the minority of the nominee(s).Signature of witness :Name and address :Signature or thumb impression of depositorFor the use of accounts officeThe above nomination has been registered on.....and an entry made in the pass book.Date.....Signature of Authorised Officer.Form No. 5[See para 8]Cancellation or variation of nomination previously made in respect of Account No.....under Deposit Scheme for Retiring Employees of Public Sector Companies, 1991.To,The Manager(Name of the Bank).....(Address).....I.....the depositor under the Deposit Scheme for Retiring Employees fo Public Sector Companies, 1991, Account No.....hereby cancel the nomination, dated.....made by me in respect of the aforesaid account.In place of the cancelled nomination, I hereby nominate the person(s) mentioned below who shall, on my death, become entitled to the payment of the sum due on the above account, to the exclusion of all other persons.

S.No.	Name(s)of the nominee(s)	Fulladdress(s)	Dateof birth of nominee(s) in case of minor	Proportionateamount for each nominee
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As the nominee(s) at Serial No.(s).....is/are minor(s), I appoint Shri/Smt/Kumari.....(Name and full address) as the person to receive the sum due on the account in the event of my death during the minority of the nominee(s).Depositor's AddressSignature or thumb impression of depositor(1)Witness :Name :Address:(2)Witness :NameAddress :For the use of accounts officeThe above cancellation/variation of the nomination has been registered in the ledger and entered in the pass book.Date.....Signature of the Authorised Officer