

# **POST OFFICE SAVINGS ACCOUNT SCHEME**

(Notified vide G.S.R. 921 (E) dated 12.12.2019 and further amended vide  
G.S.R. 257(E) dated 09.04.2021)

**GSR.921 (E).**- In exercise of the powers conferred by section 3A of the Government Savings Promotion Act, 1873 (5 of 1873), the Central Government hereby makes the following Scheme, namely:-

**1. Short title and commencement.**-(1) This Scheme may be called the Post Office Savings Account Scheme, 2019.

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

**2. Definitions.**-(1) In this Scheme, unless the context otherwise requires,-

- (a) "account" means an account opened under this Scheme;
- (b) "account holder" means an individual in whose name the Account is held;
- (c) "Act" means the Government Savings Promotion Act, 1873 (5 of 1873);
- (d) "Form" means forms appended to this Scheme;
- (e) "General Rules" means the Government Savings Promotion General Rules, 2018;
- (f) "year" means a period of twelve months commencing on the 1<sup>st</sup> day of April.

(2) Words and expressions used herein but not defined shall have the meanings assigned to them in the Act and in the General Rules.

**3. Type of Account.**-(1) An account may be opened by making an application in Form-1 by the following:-

- (a) a single adult;
- (b) two adults jointly;
- (c) a guardian on behalf of a minor;
- (d) a guardian on behalf of a person of unsound mind;
- (e) a minor who has attained the age of ten years, in his own name:

Provided that only one account can be opened by an individual as a single account:

Provided further that an account under clause (e) can only be opened if an account under clause (c) does not exist in the name of the minor or *vice versa*.

(2) The share of an individual in the balance in a joint account shall be in equal proportion. On the death of one of the account holder in a joint account, the surviving account holder shall be treated as the sole owner of the account and he may continue the account in accordance with the provisions of this

Scheme provided another single account is not held in his name. In case a single account exists in the name of the surviving holder, the account shall have to be closed.

(3) Notwithstanding anything contained in sub-paragraph (1) and (2), the beneficiaries of this scheme may open and operate Basic Savings Account and the particulars required for opening of such an account are specified in the Table below, namely :-

**Table**

Type of Account (1)	Who may open the account (2)	Deposit required for opening of account (3)	Number of accounts that can be opened (4)	Type of account can be opened Any G or any the sch
Basic Savings Account	i. Registered adult member of any Government Welfare Scheme; ii. Guardian of a minor whose name is registered for any Government Benefit.	Nil	One	

(4) Any Basic Savings Account opened/under the Post Office Savings Account Rules,1981 shall remain operational.

**subparagraphs (3) & (4) inserted vide G.S.R. 257(E) dated 9<sup>th</sup> April, 2021**

**4. Deposits and withdrawals.-**(1) The account may be opened with a minimum deposit of five hundred rupees and no subsequent deposit shall be accepted for an amount less than ten rupees.

(2) There shall be no maximum limit of deposit in an account.

(3) Withdrawals from the account for not less than fifty rupees may be made by presenting pass book along with Form-2 duly filled in and signed. Withdrawals from the account may also be made subject to the availability of balance above minimum prescribed limit by way of cheque or electronic means.

(4) No withdrawal shall be permitted which has the effect of reducing the balance to less than five hundred rupees.

(5) In case of an account having a balance of less than five hundred rupees immediately before the commencement of this Scheme, the account holder shall deposit the difference amount within a period of one year from the date of commencement of this Scheme, so as to bring the balance in the account to a minimum of five hundred rupees and the accounts office shall be responsible for advising the account holder through appropriate mode to make the required deposits within the specified date.

(6) If the account holder fails to make such deposit within the specified period, an account maintenance fee of fifty rupees (inclusive of Goods and Service Tax) shall be deducted from the account on the last working day of each financial year and after deduction of the account maintenance fee, if the balance in the account becomes nil, the account shall stand automatically closed and the account holder shall be notified accordingly. This provision shall be applicable to all accounts including Silent Account.

**subparagraph (6) ammended vide G.S.R. 257(E) dated 9<sup>th</sup> April, 2021**

(7) All deposits and withdrawals shall be made in whole rupees only.

**5. Interest on deposits in an account.-** (1) The interest at the rate of four per cent per annum shall be allowed for a calendar month on the lowest balance at the credit of an account between the close of the tenth day and the end of the month, and such interest shall be calculated and credited in the account at the end of each year.

(2) The interest shall be allowed only on sums of whole rupees and shall be rounded off to the nearest rupee and for this purpose any amount of fifty paisa or more shall be treated as one rupee and any amount less than fifty paisa shall be ignored.

(3) No interest shall be allowed on an account for any month in which the balance at credit is below five hundred rupees at any time between the tenth and the last day of the month.

(4) If an account is closed during a year, interest shall be allowed upto the end of the month preceding the month in which the account is closed.

(5) In the event of death of an account holder, the interest in his account shall be paid only in the end of the month preceeding the month in which the account is closed.

**6. Confirmation of balance.-**A pass book or statement of account of the account holder shall be issued by the accounts office. The account holder may confirm balance in his account by presenting his pass book during office hours.

**7. Issue of cheque book.-**A cheque book containing ten leaves may be issued to the account holder on an application, free of charge in a year. Subsequent issue of cheque book shall be charged at two rupees per cheque.

**8. Silent Account.-**(1) An account in which a deposit or a withdrawal has not taken place for three complete years, shall be treated as a Silent Account and credit of interest in a Silent Account shall not be treated as a transaction.

(2) Transaction in a Silent Account shall be allowed only after revival of account. The account can be revived through an application by the account holder and after completion of the due process by the accounts office.

**9. Final withdrawal on closure.-**The account may be closed at any time by the account holder by surrendering the pass book, unused or partially used cheque book, if any, etc. to the accounts office, along with the application in Form-2 for closure of the account.

**10. Application of General Rules.-** The provisions of the General Rules shall, so far as may be, apply in relation to the matters for which no provision has been made in this Scheme.

**11.Power to relax.-**Where the Central Government is satisfied that the operation of any of the provision of this Scheme causes undue hardship to an account holder, it may, by order for reasons to be recorded in writing, relax the requirements of that provision in a manner not inconsistent with the provisions of the Act.