



# MONTHLY INCOME ACCOUNT SCHEME



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# Monthly Income Account Scheme



National Savings (Monthly Income Account) Rules, 1987 will now be called National savings (Monthly Income Account) Scheme, 2019 from 12-12-2019 as specified in the Gazette Notification **G.S.R. 917(E)**.



# Monthly Income Account Scheme

## Opening of Account

1. An Account may be opened by :
  - A. A Single adult
  - B. Up to THREE Adults jointly
  - C. A Minor who has attained the age of TEN Years
  - D. A Guardian on behalf of a Minor or a Person of Unsound Mind
2. An Account shall be opened with **Minimum Deposit of Rs. 1,000** or any sum in the **Multiple of Rs. 1000** and **Maximum Deposit of Rs. 4,50,000** Account in a **Single Account** and **Rs. 9,00,000** in a **Joint Account**.
3. An individual may open **any Number of single or joint Accounts subject to the ceiling of maximum Deposit Limit of Rs. 4,50,000** individually.
4. The present Rate of Interest is **6.6% per Annum** and **Interest is payable Monthly to the Depositor**.



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6. If the **Monthly Interest is not withdrawn** by an Account Holder, such an **Interest shall not carry Additional Interest.**
7. If the date of payment of Monthly Interest **falls on Sunday or Holiday**, the payment shall be deemed to be due on the **Business day immediately preceding that Sunday or Holiday.**
8. If a Depositor has made deposit in excess to the prescribed Limit (Rs. 4,50,000), this excess amount will be paid immediately and Interest admissible will be at **Post Office Savings Account rate from date of deposit to till the end of the Month preceding the month in which deposit is refunded. (GSR 917 (E)Para 5 (7)**
9. Maturity period of an Account will be 5 Years.
10. A Depositor can open MIS Account **Directly coming to Post Office or by SAS Agent.**
11. If an Investment is made through SAS Agent, A commission is payable to him.



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## Nomination

1. Nomination is mandatory in all types of Accounts even in the Minor Accounts **(GSPR-2018)**.
2. An Account Holder can Nominate maximum FOUR Individuals **(GSPR-2018 Rule 14) and applicable to all POSB Schemes**. He can also cancel or change the existing Nomination by paying fees of Rs. 50 + GST **(SB Order 3&4/2020.)**
3. During opening of an Account or later on when Nomination is registered, varied or cancelled , “ Two Witnesses ” shall be taken if Account Holder is illiterate and No witness for Literate Account holder.**(GSPR-2018 Rule 14(8),SB Order 12/2020, Rule 16 (b)(iv) CBS Manual)**



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## Premature Closure of Account

An Account Holder will be allowed to close the Account at any time after the **expiry of One Year** from the date of opening of the Account subject to the conditions that:

1. If an **Account is closed on or before the expiry of Three Years** from the date of opening of an Account, **an Amount equal to 2 % of Deposit** shall be deducted and the remainder amount will be paid to an Account Holder.
2. If an Account is closed **after the expiry of Three Years** from the date of opening of an Account, **an Amount equal to 1 % of Deposit** shall be deducted and the remainder amount will be paid to an Account Holder.



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## Closure of Account

1. An Account will be closed after 5 Years from the date of the opening of an Account.
2. An Account holder will be paid the deposit amount along with MIS interest Installment/Installments if any.
3. If an Account is not closed after 5 Years, the Eligible Balance in the Account shall continue to earn interest at the rate applicable to **the Post Office Savings Account Rate till the closure of the Account.** (Post Maturity Interest) **(SB Order 6/2020 & CBS Manual 124 (b))**



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## Transfer of Account

1. There will be fees of Rs. 100 + GST for transfer of an Account from one Post Office to other Post Office. **(SB Order 3/2020)**
2. Transfer of Account will be done at HO only where Account stands or in case Account stands at a Sub Office, Account will be transferred by the HO in whose jurisdiction this Sub Office is working. If an Application for Transfer of an Account is given to any other SO or HO, Application of Transfer along with documents will be sent to SO or HO where Account stands (Home SOL) in a service insured Cover and details of such Applications will be entered into Manual Register. This office after necessary formalities in the system will all concerned original documents to the Office where Account is intended to be transferred. **(GSPR 2018, Rule13)**





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## Miscellaneous Points

1. Fees for Duplicate Passbook will be Rs. 50 + GST **(SB Order 3/2020)**
2. Fees for Issue of Statement of Account Rs. 20 + GST **(SB Order 3/2020)**
3. Maturity Amount payable to Account Holder can be:
  - A. transferred to his Savings bank Account
  - B. paid by a crossed Cheque
  - C. paid in cash if Amount is below Rs. 20,000/-
5. An Account which is matured but not closed, Eligible Balance in an Account shall continue to earn Interest at Post Office Savings Account Rate till the Account is closed.



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