



TIME DEPOSIT SCHEME



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Time Deposit Scheme

National savings Time Deposit Rules, 1981 will be called National savings Time Deposit Scheme, 2019 from 12-12-2019 as specified in the Gazette Notification **G.S.R. 922(E)**.



Time Deposit Scheme

Categories Of Account

There shall be **Four categories** of Time Deposit Account namely:

- **One Year Time Deposit Account**
- **Two Years Time Deposit Account**
- **Three Years Time Deposit Account**
- **Five Years Time Deposit Account**



Time Deposit 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. 100 and with no Maximum Limit.
3. An individual may open any number of single or joint Accounts.



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4. The Present rate of Interest is as under **from 01-04-2020 to 30.06.2020:**

Account Type	Rate of Interest (%)
1 Year Time Deposit	5.5
2 Years Time Deposit	5.5
3 Years Time Deposit	5.5
5 Years Time Deposit	6.7



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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&7/2020.)**
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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Pledging of Account

Account can be pledged supported with acceptance Letter from the Pledgee.
Account can be pledged to:

1. The President of India or Governor of State
2. Reserve Bank of India, Scheduled Bank or Cooperative Society/Bank
3. Public or Private Corporation
4. Government Company
5. Local Authority
6. Housing Finance Company Approved by the National Housing Bank

Fees for Pledging an Account is Rs. 100 + GST (**SB Order 3/2020**)



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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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Extension of Account

If an Account Holder wants to extend the Account after its maturity, can extend the Account by making an Application in the Prescribed Form and can extend the Account for the same period for which Account was initially opened. Option of Extension of Account will be exercised as specified in the Table Below: **(G.S.R 922 (E), SB Order 7/2020)**

Account Type	Period within which Extension will be exercised from Maturity by Depositor
1 Year Time Deposit	Six Months
2 Years Time Deposit	Twelve Months
3 Years Time Deposit	Eighteen Months
5 Years Time Deposit	Eighteen Months



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Extension of Account

1. Account Holder will be allowed to extend the Account **only TWICE after the initial Repayment Date.**
2. The option of extension of the Account may also be exercised by Account Holder **at the time of opening of the Account also.** However, **Account Holder can also revoke the option made before the date of repayment.**



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Premature Closure of Account

Premature Closure shall be allowed subject to the following Conditions:

- 1. Account can not be closed before completion of SIX Months from the date of Opening of Account.**
2. Where a Deposit in One-Year, Two-Year, Three-Year or Five-Year Account is withdrawn prematurely **after Six Months, but before the expiry of One Year from the date of Deposit, Interest shall be payable** to the Account Holder at the rate applicable to **Post Office Account Rate for the completed Months.**
3. Where a deposit in Two-Year, Three-Year or Five-Year Account is withdrawn prematurely after the expiry of One Year from the date of deposit, Interest on such **Deposit shall be payable at the rate which shall be less by Two Percent of the Rate for completed Year and Post Office Account Rate for the completed Months.**



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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 closure of the Account. **(SB Order 7/2020, CBS Manual Rule 95)**



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भारतीय डाक

