

F.No. FS-10/17/2020-FS  
Govt. of India  
Ministry of Communications  
Department of Posts  
(F.S. Division)

Dak Bhawan, New Delhi – 110001

Dated: 05.11.2021

To  
All Heads of Circles / Regions

Subject: Clarifications with respect to Post Office Saving Bank Operations – Reg.

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Madam / Sir,

This office is in receipt of seeking clarifications through RTI and grievances on various issues related to POSB Operations. PTC Madurai and Kerala Circle have also sought for clarifications on various issues relating to POSB Operations. Some of such issues were examined and the following clarifications are issued for smooth operation in post offices.

1). **Issue of Fresh Passbook in lieu of old passbook in any other CBS PO**

The procedure for issue of fresh passbook in lieu of old / used up passbook is prescribed in Rule 44 of POSB CBS Manual. But there is no clarity whether the fresh passbook of account standing in CBS Post Offices (PO) can be issued by any other CBS PO.

It is clarified that any CBS PO can issue fresh passbook for the account standing in any other CBS PO in lieu of used up / old spoiled passbook, following the procedure prescribed in Rule 44 of POSB CBS Manual.

2). **Opening of Joint Account by two or more illiterate depositors or Jointly by Illiterate Depositor and literate depositor**

As per Rule 5(5) of GSPR 2018 which was circulated in SB Order No. 13/2019 dated 18.12.2019, A blind or visually challenged or illiterate depositor may open joint account with literate depositor. Further, there is no restriction in any scheme rules for opening of a joint account jointly by two or more illiterate depositors.

It is clarified that a joint account may be opened by jointly by two or three illiterate depositors or jointly by Illiterate Depositor and Literate Depositor.

3). POSB Cheque facility to a Savings Joint Account opened jointly by a literate depositor and a illiterate depositor

As per the provisions in POSB CBS Manual and POSB Manual Volume I, for availing Cheque facility, the depositor should be literate and should be able to sign in running hand besides maintaining a balance of Rs. 500/- in the account. Cheque facility is not provided to the accounts operated by minor himself. There is no clarity on issue of cheque for a joint savings account opened by a literate and an illiterate depositor.

As per the clarification issued by MoF, all types of operations in a Joint B Account can be done by any of the depositors, it is clarified that cheque facility can be extended to the Joint B accounts opened jointly by an illiterate and a literate depositor subject to the conditions that the cheque will be used only by the literate depositor who can sign in running hand and illiterate depositor shall not use cheque facility of the account. Any cheque used by the illiterate depositor of such account shall not be entertained.

4). Opening of a Basic Savings Account by an individual who is already having a Post Office Savings 'single' account

Basic Savings Account has been introduced vide GSR No. 257(E) dated 9<sup>th</sup> April 2021 through amendment in POSA Scheme 2019. As per the notification, this type of account has been inserted below sub paragraph (2) of paragraph (3) of POSA Scheme 2019. As per the provisions made below paragraph (3)(e) of POSA Scheme, only one account can be opened by an individual as a single account.

Since Basic Savings Account is a separate type of account and inserted as sub paragraph (3) below sub paragraph (2) of paragraph (3) of POSA Scheme 2019, it is clarified that an individual may open a PO Savings Single Account in addition to a Basic Savings Account and vice versa.

5). Limit on the amount of deposit in Branch Post Offices when the deposit is made through Withdrawal form (SB-7) or Cheque.

Orders for acceptance of cheque and withdrawal form (SB-7) for Account opening and subsequent deposits at Branch Post Office have been issued in SB Order No. 22/2020 dated 18.06.2020 and SB Order No. 32/2020 dated 23.09.2020. The small savings schemes viz. MIS, SCSS, KVP, NSC and PPF were extended to Branch Post Office in SB Order No. 27/2020 dated 23.07.2020. Cash acceptance limit at Branch Post Office in an account in a day was raised from Rs. 25,000/- to Rs. 50,000/- in SB Order No. 3/2021 dated 05.03.2021.

In this regard, it is clarified that in respect of subsequent deposit / deposit for opening of any type of account, through Withdrawal form and Cheque, no such limit of Rs. 50,000/- in a day in an account is fixed.

6). **Change of guardian in any account**

As per Rule 10 (4) of GSPR 2018, in the event of death of the guardian, the succeeding guardian shall be eligible to operate the account of the Minor or the person of unsound mind, as the case may be.

In this regard, it is clarified that change of guardian is permissible only on death of existing guardian and on the orders of any Court. In such cases, the death certificate of the existing guardian or the orders of Hon'ble Court as the case may be, should be produced by the new guardian along with a fresh application form (SB-AOF) and KYC documents duly signed by the new guardian.

7). **Presence of the depositor at the time of opening of account**

As per Rule 4 of GSPR 2018, only Resident citizen of India is eligible to open an account under National (Small) Savings Schemes and as per Rule 5 of GSPR 2018, An Account may be opened by the depositor either by visiting the Accounts Office in person or through permissible electronic modes including internet or mobile banking application of the respective Government Savings Bank in accordance with the procedure approved by the Reserve Bank of India, from time to time.

It is clarified that

i. In case an account is opened at the post office, presence of the depositor is mandatory at the time of opening of account.

ii. In case an account is opened by guardian on behalf of minor or on behalf of a person of unsound mind, presence of guardian is mandatory.

iii. Whenever any account under the schemes identified for opening through Authorized Agents (SAS & MPKBY) is opened through Authorized Agents (SAS & MPKBY), presence of the depositor is optional.

iv. Further, if the account opening forms and KYC documents are collected by the Post Office staff and the depositor's signature is obtained in front of any authorized officials during the POSB account opening drives/melas/doorstep canvassing etc, presence of such depositor is not mandatory.


8). **Change of Joint Depositor in a Joint Account**

Rule 48(2) of POSB (CBS) Manual has been treated as deleted in the SB Order No. 12/2020 dated 14.02.2020.

As per the provision in Rule 8 of GSPR 2018, an account opened as a Single Account cannot be subsequently converted into a Joint Account or vice versa. Further there is no provision in GSPR 2018 for change of any of the depositors in any Joint account.


It is clarified that change of the depositor or inclusion of new depositor in a Joint Account is not allowed. Further it is clarified that change of order of the depositor (first / second and third) in an account is also not allowed keeping in view of the fact that various returns / statements are filed with the Income Tax authorities based on the PAN Number of the first depositor in an account.

- ii). This order may be circulated to all the Post Offices.
- iii). This is issued with the approval of DDG (FS).

  
(T C VIJAYAN)  
Asst. Director (SB-I)

Copy to:-

1. Sr. PPS to Secretary (Posts)
2. PS to Director General Postal Services.
3. PPS/ PS to Addl. DG (Co-ordination)/Member (Banking)/Member (O)/Member (P)/ Member (Planning & HRD)/Member (PLI)/Member (Tech)/AS & FA
4. Addl. Director General, APS, New Delhi
5. Chief General Manager, BD Directorate / Parcel Directorate / PLI Directorate
6. Sr. Deputy Director General (Vig) & CVO) / Sr. Deputy Director General (PAF)
7. Director, RAKNPA / CGM, CEPT / Directors of all PTCs
8. Director General P & T (Audit), Civil Lines, New Delhi
9. Secretary, Postal Services Board/ All Deputy Directors General
10. All General Managers (Finance) / Directors Postal Accounts / DDAP
11. Chief Engineer (Civil), Postal Directorate
12. All recognized Federations / Unions / Associations
13. The Under Secretary, MOF (DEA), NS-II Section, North Block, New Delhi.
14. The Joint Director & HOD, National Savings Institute, ICCW Building, 4 Deendayal Upadhyay Marg, New Delhi-110002
15. GM, CEPT, Mysuru - for uploading the order on the India Post website.
16. Guard File

  
(T C VIJAYAN)  
Asst. Director (SB-I)