

## **NATIONAL SAVINGS SCHEME RULES, 1992**

[Issued vide MOF (DEA) Notification No.GSR.763 (E) dated 15.9.1992 and D.G. Posts letter No.35-26/92-SB dated 18.9.1992 and further amended from time to time. The scheme was introduced from 1.10.1992 and has been discontinued from 1.11.2002]

G.S.R.763 (E) - In exercise of the powers conferred by section 15 of the Government Savings Banks Act, 1873 (5 of 1873), the Central Government hereby makes the following rules, namely

### **1. Short title and commencement:-**

- (1) These rules may be called the National Savings Scheme Rules, 1992.
- (2) They shall into force on the 1<sup>st</sup> day of October, 1992.

### **2. Definitions:** - In these rules, unless the context otherwise requires:

- (a) **“Account”** means a savings account opened by a depositor in accordance with the scheme.
- (b) **“Act”** means the Government Savings Banks Act, 1873 (5 of 1873)
- (c) **“Depositor”** means:-
  - (i) an individual , or
  - (ii) a Hindu undivided family, or
  - (iii) an association of persons or a body of individuals consisting , in either case , only of husband and wife governed by the system of community of property in force in the state of Goa and the Union Territories of Dadra and Nagar Haveli and the Union territory of Daman and Diu by whom, or on whose behalf ,money is deposited in an account, and deposits means money so deposited.
- (d) **“Post office”** means any Head Post Office, or any Sub Post Office which is authorized to open an account under these rules;
- (e) **“Scheme”** means the National Savings Scheme as contained in these rules;
- (f) **“Year”** means a year commencing on 1<sup>st</sup> day of April;
- (g) **The words and expressions** used herein and not defined but defined in the Post Office Savings Bank General Rules, 1981, shall have the meanings respectively assigned to them in those rules.

**3. Application of the Post Office Savings Bank General Rules,1981 and the Post Office Savings Account Rules,1981 :-** The provisions of the Post Office Savings Bank General Rules,1981 and the Post Office Savings Account Rules,1981, so far as may be , apply in relation to matters for which no provision has been made in these rules.

**4. Opening of Account :-** (1) A separate account shall be opened in a post office by every depositor for each year.

- (2) In the case of depositors being individuals, the account may be opened by:
- (a) a single adult: or
  - (b) two adults jointly, the amount due on the account being payable –
    - (i) to both jointly or survivor: or (ii) to either of them or survivor;
  - (c) a guardian on behalf of minor.

**5. Deposits:** - (1) No account shall be opened with deposit of less than one hundred rupees.

- (2) All deposits shall be made in multiples of one hundred rupees.

(3) The deposits made by the depositor in the National Savings Scheme, 1987 on or after the 1<sup>st</sup> day of April, 1992, but before the 1<sup>st</sup> day of October, 1992 and in respect of which he has exercised option under that scheme to transfer the said deposits to an account opened by him under this scheme shall be deemed to be deposits under this scheme and all the provisions of this scheme shall apply accordingly.

(4) No deposit shall be made under the scheme on or after the **1<sup>st</sup> day of November, 2002.**

[MOF (DEA) Notification No.GSR 710(E) dated 17.10.2002]

**6. Interest on deposits:** - (1) (i) For the period commencing from the 1<sup>st</sup> day of October, 1992 to the 14<sup>th</sup> day of January, 2000, the interest at the rate of eleven per cent per annum shall be allowed for a calendar month on the lowest balance at 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.

(ii) For the period from the 15<sup>th</sup> January, 2000 but before the 1<sup>st</sup> day of March, 2001 the interest at the rate of ten and a half per cent per annum shall be allowed for a calendar month on the lowest balance at 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.

(iii) For the period commencing from the 1<sup>st</sup> day of March, 2001 but before the 1<sup>st</sup> day of March, 2002, the interest at the rate of nine percent per annum shall be allowed for a calendar month on the lowest balance at 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.

(iv) On and from the 1<sup>st</sup> day of March, 2002 but before the 1<sup>st</sup> day of March, 2003 the interest at the rate of eight and half per cent per annum shall be allowed for a calendar month on the lowest balance at 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.

[MOF (DEA) Notification No.GSR 162 (E) dated 1.3.2002]

(v) On and from the 1<sup>st</sup> day of March, 2003, the interest at the rate of seven and half per cent per annum shall be allowed for a calendar month on the lowest balance at 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.

[MOF (DEA) Notification No.GSR 176(E) dated: 1.3.2003]

(2) Where the interest contains part of a rupee and if such a part is fifty paise or more, it shall be increased to one complete rupee and if such part is less than fifty paise, it shall be ignored.

**7. Withdrawal:** - (1) The interest credited in the account may be withdrawn at any time at the option of the depositor.

(2) The deposits may be withdrawn after the expiry of four years from the end of the year in which the account was opened at the option of the depositor.

(3) The deposits or interest amount not withdrawn after it becomes due will continue to earn interest at the rate as specified in rule 6 upto the date of its withdrawal.

[Rule 7 and 10 amended vide MOF (DEA) Notification No.GSR 541(E) dated 14.6.2000]

**8. Pass Book :-** (1) On opening an account, the depositor shall be given a Pass book bearing the number of his account, his name ,address and entry of his first deposit duly initialed by an authorized official of the post office.

(2) The Pass Book shall ordinarily be presented for all deposits and withdrawals.

**9. Confirmation of balance:** - The depositor shall present his Pass Book as soon as possible after the 31<sup>st</sup> day of March every year to the Post Office where his account stands for addition of interest and confirmation of balance at his credit.

**10. Closure of account:** - Closure of account will be permitted on expiry of four years from the end of the year in which the account was opened.

Provided that in the event of death of depositor, account may be closed at any time after his death and interest at the rate specified in rule 6 will be admissible in such cases also upto the date of withdrawal of the amount.

**11. Power to relax:** - Where the Central Government is satisfied that the operation of any of the provisions of these rules causes undue hardship to the depositor, 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.