MINISTRY OF FINANCE
(Department of Economic Affairs)
NOTIFICATION

New Delhi, the 18th March, 2016

G.S.R.323(E).- In exercise of the powers conferred by section 15 of the Government Savings Banks Act,1873 (5 of 1873), and in supersession of the **Sukanya Samridhi Account Rules, 2014** published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), dated the 3rd December, 2014 vide notification of the Government of India in the Ministry of Finance, Department of Economic Affairs number G.S.R. 863(E), dated the 2nd December,2014, except as respects things done or omitted to be done before such supersession, the Central Government hereby makes the following rules, namely:-

1. Short title and commencement.-

(1) These rules may be called the Sukanya Samriddhi Account Rules, 2016.

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

2. Definitions.-

In these rules, unless the context otherwise requires,-

(a) "Account" means the Sukanya Samriddhi Account opened in accordance with the provisions of these rules;

(b) "Account holder" means a person in whose name the Account is held;

(c) "Act" means the Government Savings Banks Act, 1873 (5 of 1873);

(d) "Bank" means any branch of a public sector or private sector commercial bank authorized by Government to open an Account under these rules;

(e) "Beneficiary" means an eligible girl child who is a resident Indian citizen at the time of opening of the account and remains so till the maturity or closure of the Account;

(f) "Deposit" means the money deposited by the guardian or by the Account holder in an Account ;

(g) "family" means a unit consisting of a person and his spouse (both or either of whom are alive or deceased) and their children, adopted or otherwise;

(h) “Financial year” means the period starting on the 1st of April and ending on the 31st of March

(i) “Guardian” means natural or legal guardian of the beneficiary

(j) “Government” means the Government of India in the Ministry of Finance

(k) “Interest rate” means the rate, as may be notified by the Government, to be applicable for a complete or part of the financial year

(l) “Maturity” means maturity of an Account on completion of a period of twenty-one years from the date of its opening

(m) “Post office” means any post office in India doing savings bank work and authorized to open an Account under these rules

(n) “Notification” means a notification published in the Official Gazette

(o) “CBS” means Core Banking Solution platform or any other electronic platform which electronically connects all offices of a Bank and or the postal department simultaneously or in phases, for bringing speed, uniformity and ease in operational matters.

3. Application of 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, 1981framed under the Government Savings Bank Act, 1873 (5 of 1873) may be applied in relation to matters for which no provision has been made in these rules.

4. Opening of Account

(1) The Account may be opened by the guardian in the name of a beneficiary who has not attained the age of ten years as on the date of opening of the Account;

provided that nothing in these rules shall affect a beneficiary born on or after the 2nd December, 2003, whose Account was opened on or before the 2nd December, 2015

(2) Every beneficiary shall have a single Account under these rules.

(3) An application for opening of an Account in the Post Office or the Bank under these rules shall be accompanied with the birth certificate of the beneficiary in whose name the Account is to be opened, along with other documents relating to identity and residence proof of the guardian

(4) An Account under these rules shall be opened for a maximum of two girl children in one family:

Provided that more than two Accounts may be opened for girl children in a family if such children are born in the first and/or in the second order of birth, on production of a certificate to this effect from the competent medical authority regarding the birth of such multiple girl children in the first two orders of birth in a family;

Provided further that the above proviso shall not apply to girl children of the second order of birth if the first order of birth in a particular family results in two or more surviving girl children.

5. Deposits. -

(1) The Account may be opened with a minimum initial deposit of two hundred fifty rupees and thereafter any amount in multiples of one hundred rupees may be deposited in an Account subject to the condition that a minimum of one thousand rupees shall be made as deposit in a financial year in one Account.

{Amendment vide MoF(DEA) G.S.R. 617(E) dated 05.07.2018}

(2) The total money deposited in an Account shall not exceed one lakh fifty thousand rupees in a financial year;

Provided that the deposit in excess of one lakh fifty thousand rupees in any financial year shall, if accepted due to any accounting error, not be eligible for any interest;

Provided further that such amount, which is deposited in excess of an annual ceiling of one lakh fifty thousand rupees, may be withdrawn anytime by the depositor.

(3) Deposits may be made in an Account till the completion of a period of fifteen years from the date of opening of such Account.

(4) An Account in which minimum amount as specified in sub-rule (1) has not been deposited shall be considered as an Account under default:

Provided that an Account under default may be regularised on payment of a penalty of fifty rupees per year along with such minimum specified amount for the year or years of default.

(5) If in the case of any Account, the default is not regularised within fifteen years of the opening of the Account then the whole deposit, including the deposits made prior to the date of default, shall be eligible only for interest rate prescribed for Post Office Savings Bank at the time of its maturity and any amount credited wrongly by way of interest into an Account under default shall be reverted to the Government account as soon as it comes to the notice of the Bank or the post office concerned.

(6) Sub-rule (5) shall not apply if the default occurred because of the death of the guardian of the Account holder who opened the account and in such cases, the Account shall be eligible for interest under rule 7.

6. Mode of deposit and date of credit-

(1) The deposit in the Account may be made by the guardian or by the beneficiary concerned if such beneficiary has crossed the age of ten years.

(2) The deposit may be made-
(a) in cash; or
(b) by cheque or demand draft drawn in favour of the postmaster of the post office concerned or the Manager of the Bank concerned where the Account is opened, with an endorsement on the back of such instrument made and signed by the depositor indicating the name of the Account holder and Account number in which the deposit is to be credited; or
(c) Through electronic means (e-transfer) in the concerned post office or Bank if such post office or bank has access to the facility of CBS.

(3) The date of credit of the deposit to the Account shall be determined as under:
(a) Where the deposit is made by cheque, the date of encashment of the cheque;
(b) Where the deposit is made by demand draft, the date of submission of the same to the Bank or post office; and
(c) Where the deposit is made by e-transfer, the date of deposit.

7. Interest on deposit-

(1) The interest on deposit shall be compounded yearly at the rate notified by the Government in the Official

Gazette from time to time and shall be credited, rounded off to the nearest rupee, to the Account of the beneficiary at the end of each financial year.

(2) The interest shall be calculated for the calendar month on the lowest balance in an Account on the deposits made between the close of the tenth day and the end of the month.

8. Operation of Account-

(1) The Account shall be operated by the guardian till the beneficiary Account holder attains the age of ten years or till the beneficiary Account holder attains the age of eighteen years.

(2) The Account shall be operated by the beneficiary Account holder after such Account holder attains the age of eighteen years;

Provided that the Account may be operated by the beneficiary Account holder after such Account holder attains the age of ten years.

9. Premature closure of Account-

(1) In the event of death of the Beneficiary Account holder, the Account shall be closed immediately, on the production of death certificate issued by the competent medical authority, and the balance at the credit of the Account and interest due thereon till the date of death shall be paid to the guardian.

(2) If, after the opening of an Account, the Account holder becomes a non-citizen or non-resident of India, intimation to this effect shall be given by the guardian or the Account holder to the post office or the Bank concerned, as the case may be, within a period of one month from the date of such status of the Account holder's citizenship or resident status.

(3) In the event of change of status of the Account holder's citizenship or residential status, no interest shall be deemed to accrue to the Account from the change of such status and the Account shall be deemed to be closed prematurely from that date.

(4) The balance at the credit of an Account on the date of deemed closure under sub-rule (3) shall -

(a) be returned, along with interest due, to the Account Holder and if the account holder is not alive, then to the guardian;

(b) in case, any interest was credited to the Account after the change of resident status or citizenship of the

Account holder, be reverted to the Government account by the post office or the Bank concerned, immediately on being informed of such change in the status of the Account holder.

(5) Where the post office or the Bank concerned is satisfied, in cases of extreme compassionate grounds such as medical support in life-threatening diseases of the Account holder or death of the guardian, that the operation or continuation of the Account is causing undue hardship to the Account holder, it may, after complete documentation, by order and for reasons to be recorded in writing, allow premature closure of the Account;

Provided that no premature closure of an Account under this sub-rule shall be made before completion of five years of the opening of such Account;

Provided further that premature closure of an Account may be permitted, anytime after the opening of an Account, for any reason other than provided under this sub-rule, and in which case the whole deposit shall be eligible only for the interest rate prescribed for the Post Office Savings Bank.

10. Pass book-

(1) On opening an Account, the guardian shall be given a pass book bearing the name, address and date of birth of the Account holder, date of opening of Account, Account number, name and address of the guardian, relationship with the Account holder and the amount deposited.

(2) A duplicate passbook may be subsequently issued in the event of loss, mutilation, etc., of the original passbook, on the written request of the guardian or the Account holder, on payment of a fee of fifty rupees and such fees shall be creditable to the Government account.

(3) The guardian or the Account holder shall have the option to maintain the Account records exclusively in electronic form, provided the post office or Bank concerned has access to the facility of CBS.

11. Transfer of account-

(1) The Account may be transferred anywhere in India and from or to post offices and from or to Banks and between post office and Bank, free of cost on furnishing of proof of shifting of residence of either the guardian or the Account holder and otherwise, on payment of a fees of one hundred rupees to the post office or the Bank to which the transfer is made.

(2) The process of transfer shall be effected electronically if the post office or the Bank concerned, has access to the facility of CBS.

12. Withdrawal-

(1) Withdrawal of up to a maximum of fifty per cent of the balance in the Account at the end of the financial year preceding the year of application for withdrawal, shall be allowed for the purpose of higher education of the Account holder;

Provided that such withdrawal shall not be allowed unless the Account holder attains the age of eighteen years or has passed tenth standard, whichever is earlier;

(2) The application for withdrawal under sub-rule (1) shall be accompanied by a documentary proof in the form of a confirmed offer of admission of the Account holder in an educational institution or a fee-slip from such institution clarifying such financial requirement.

(3) The withdrawal under sub-rule (1) may be made as one lump sum or in instalments, not exceeding one per year, for a maximum of five years, subject to the ceiling specified in sub-rule (1)

Provided that the amount of withdrawal shall be restricted to the actual demand of fee and other charges required at the time of admission as shown in the offer of admission or the relevant fee-slip issued by the educational institution.

13. Closure on maturity-

(1) The Account shall mature on completion of a period of twenty-one years from the date of its opening;

Provided that the final closure of the Account may be permitted before completion of such period of twenty one years, if the account holder, on an application, makes a request for such premature closure for reasons of intended marriage of the Account holder and on furnishing of age proof confirming that the applicant will not be less than eighteen years of age on the date of marriage;

Provided that no such premature closure shall be made before one month preceding the date of the marriage or after three months from the date of such marriage.

(2) On maturity, the balance including interest outstanding in the Account shall be payable to the Account holder, on an application by the Account holder for closure of the Account, and on furnishing documentary proof of her identity, residence and citizenship.

(3) No interest shall be payable once the Account completes twenty-one years from the date of its opening.

14. Power to relax-

Where the Government is satisfied that the operation of any of the provisions of these rules causes undue hardship to the Account holder, it may, by order and for reasons to be recorded in writing, relax the requirement of that provision or provisions in respect of such Account holder, in a manner not inconsistent with the other provisions of these rules.