

**POST OFFICE
SAVINGS BANK MANUAL
VOLUME II**

SAVING CERTIFICATE PROCEDURE

(SECOND EDITION)

(CORRECTED UP TO 31.12.2006)

**ISSUED UNDER THE AUTHORITY OF
DIRECTOR-GENERAL OF POSTS, INDIA
AND
SECRETARY TO GOVERNMENT OF INDIA
DEPARTMENT OF POST
MINISTRY OF COMMUNICATIONS & INFORMATION TECHNOLOGY**

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POST OFFICE SAVINGS CERTIFICATES

The rules in this Chapter apply mutatis mutandis to :-

- i. 5-Year Post Office Cash Certificate (Discontinued from 14.6.1947)
- ii. 10-Year National Plan Certificates (Discontinued from 31.5.1957)
- iii. 10-Year National Savings Certificates (1st Issue) (Discontinued from 14.3.1970)
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- v. 12-Year National Plan Savings Certificates (Discontinued from 14.11.1962)
- vi. 12-Year National Defence Certificates (Discontinued from 14.3.1970)
- vii. 7-Year National Savings Certificates (II Issue) (Discontinued from 30.9.1988)
- viii. 7-Year National Savings Certificates (III Issue) (Discontinued from 31.12.1980)
- ix. 7-Year National Savings Certificates (IV Issue) (Discontinued from 30.4.1981)
- x. 7-Year National Savings Certificates (V Issue) (Discontinued from 30.4.1981)
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- xiii. Six Year National Savings Certificates (VI Issue) (Discontinued from 31.3.1989)
- xiv. Six Year National Savings Certificates (VII Issue) (Discontinued from 31.3.1989)
- xv. 10-Year Social Security Certificates (Discontinued from 31.8.1990)
- xvi. 5-Year Indira Vikas Patras (Discontinued from 15.7.1999)
- xvii. Kisan Vikas Patras
- xviii. 6-Year National Savings Certificates (VIII Issue)

DEFINITIONS

1. For the purpose of these Rules:-
 - (a) Certificate means a Savings Certificate issued by the Government of India and sold through the Post Office.
 - (b) Stock Depot means Postal Stock Depot or Postal Stores Depot or Circle Stamp Depot as the case may be.
 - (c) The 'Act' means the Government Savings Certificates Act, 1959 (46 of 1959).
 - (d) The "Rules" means the Post Office Savings Certificates Rules, 1960, National Savings Certificates (First Issue) Rules, 1965, National Savings Certificates (Fourth Issue) Rules, 1970, National Savings Certificates (V Issue) Rules, 1973, National Savings Certificates (VI & VII Issue) Rules, 1981, Social Security Certificates Rules, 1982, 12-Year NSAC Rules 1976, 5-Year National Development Bonds, 1977, Indira Vikas Patra Rules, 1986, Kisan Vikas Patra Rules, 1988 and National Savings Certificates (VIII Issue) Rules, 1989.

DELEGATION OF DUTIES

2. (i) All the duties of the Postmaster in connection with the Savings Certificates may, under the orders of the Head of the Circle, be performed by the Deputy Postmaster, Assistant Postmaster or Supervisor, such delegation being specifically mentioned in the memorandum of distribution of work, except the following which shall be the personal responsibility of the Head Postmaster:-
 - (a) Deciding claims in respect of Savings Certificates of deceased holders which lie within his power of decision and the safe custody of records relating to such claims.
 - (b) Signing and submission of savings certificates returns to the Postal Accounts Office in offices where there is no separate Selection Grade Official Incharge of the Savings Certificate branch.
 - (c) Sanctioning the transfer of savings certificates from one person to another.
 - (d) Endorsing the remarks "Checked" "duplicate on record" on the original invoice to be sent to Postal Accounts Office.
- (ii) The Postmaster will, however, remain personally responsible for the general functioning of the Savings Certificates branch and, in particular, the regular submission of the Savings Certificates returns on the due dates.

STOCKING AND SUPPLY OF CERTIFICATES

3. Certificates of all types and denominations are printed at the Government of India Security Press, Nasik, who supplies them to the Circle Stamp Depots. The Circle Stamp Depots supply to H.O. The H.Os supply to S.Os in their account jurisdiction. A quarterly indent to meet the requirements of three months shall be submitted by the S.O. to its H.O. by the 15th of May, August, November and February and by the H.O. to the Circle Stamp Depot on 1st of June, September and March in the following form:-

Denomi- nation	Type	No. Sold during	Balance on hand	Number required	Reasons for indenting more
-------------------	------	--------------------	--------------------	--------------------	-------------------------------

the last
quarter

than the difference
between
columns 3 & 4

1	2	3	4	5	6
---	---	---	---	---	---

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In order to avoid wastage of certificates and also consequent work involved in their destruction every time a change in series takes place, care must be taken to see that excessive stocks are not held by Post Office. If for any reason, extra supply is found necessary, timely action should be taken to forward an emergent indent with reasons justifying the special supply. An estimate of requirements given by the National Savings Organization should be carefully scrutinized and should not be accepted without examination. Excessive supplies should be withdrawn immediately after the fact is known.

The supplying offices viz. the Circle Stamp Depots and the H.O shall while supplying the Certificate prepare in triplicate an invoice from a serially numbered book of invoices (form N.C-13) kept separately for each office. The pencil copy of the invoice shall be retained in the book of invoices as office copy and the duplicate and triplicate copies sent with the certificates to the office concerned. The receiving office will check the entries in the invoice with the certificates, and if found correct, return the duplicate copy, duly receipted to the dispatching office. In case of a discrepancy, the matter should be taken up immediately with the dispatching office. The triplicate copy of the invoice shall be filed in serial order in the guard book of invoice received. The duplicate copy of the invoice on receipt back in the dispatching office shall be pasted to its original.

Note 1:- Before blank certificates are supplied to S.O or to the Counter Assistant in the H.O, they should be impressed with a rubber stamp indicating the name of the Circle and the Postal Accounts Office, e.g. Tamil Nadu (Circle)/Madras Postal Accounts Office.

Note 2:- The Single Handed Post Offices should be supplied with the Savings Certificates to the bare minimum requirement. The Heads of Circles may withdraw stock of Savings Certificates from EDSOs and Single Handed Post Offices where there is no sale or at their discretion.

Note 3 :- Stock and supply of savings certificates by Circle stamp Depots.

The work relating to the stock and supply of Savings Certificates etc. is being done by the Postal Stores Depots in each circle. With the formation of the Circle Stamp Depots in each Circle, this work has been transferred by the Postal Stores Depot to the Circle Stamp Depot in some Circles as a local arrangement for exercising proper control over the effective stock and supply to the H.P.Os. After the switch over of the work from the P.S.D. to the C.S.D., bulk supply of blank cash certificates are made by the stamp depots to the HPOs. Stocking, sale and supply to the sub offices are done through the stock register in the HPO. The safe custody and verification of stock is done at the H.O., as is done in the case of Postal Orders, pass books etc. Until such time they are sold to the public, the Cash Certificates do not have any money value. It is treated only as an item of stationary. Unsold stock of Cash Certificates are verified by the visiting Divisional Officers periodically.

With a view to extending the above procedure uniformly to all the Circles, with effect from 1-3-1987 the work of stocking and supply of certificates was transferred from the Postal Stores Depot to the Circle Stamp Depot wherever it has not been done, with immediate effect. After the transfer of the work, the Postmasters should indent the certificates only from the Circle Stamp Depots. All the due returns etc., now

being submitted to the store depots should be sent by the concerned units to the Circle Stamp Depot in future. The fortnightly consolidated list of certificates issued to Post Offices should, be sent by Circle Stamp Depots to the Circle Postal Accounts Office in accordance with Rule 377(4) of P&T Manual Volume VIII.

Note 4 :- The work of stocking savings certificates of old series has been transferred to the Circle Stamp Depots with effect from 29.5.1989.

CUSTODY OF CERTIFICATES

4. (1) Certificates, not actually required for issue to the public must be kept in the custody of the Postmaster. He will issue certificates to the counter Assistant for issue as soon as an application for purchase is received at the counter. In large offices the Head of the Circle, may if necessary, prescribe that a working stock of Certificate should be advanced to the counter Assistant under receipt for issue during business hours and at the end of the day the Postmaster should satisfy himself by reference to the issue journal that the balance with the counter Assistant is correct. The working stock to be advanced should be fixed by the Postmaster and the numbers issued to the investors during the day should be replenished from the main stock taking care to see that the serial order is maintained. A separate Stock Register need

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not be maintained by the counter Assistant. The Counter Assistant will lock the box containing the working stock and keep it for the night in the Treasury or in the Iron Safe of the Postmaster.

(2) The Postmaster will be responsible for the security of certificates kept by him and all postal officials, entrusted with the certificates, will be personally responsible in case of loss or theft or misuse caused by their negligence. Blank certificates shall always be exchanged under proper receipt. The Official responsible for loss or theft or misuse shall execute an Indemnity Bond indemnifying the cost against any fraudulent payment on such lost, stolen and misused blank certificates.

(3) Certificates received in a Post Office for any purpose should be kept in the personal custody of the Postmaster who will be responsible for their safe custody till disposal.

MAINTENANCE OF THE STOCK REGISTER

5. (1) All supplies of certificates received by Head and Sub Offices must entered in the stock register (NC-12) on the date of receipt. A separate register or set of pages in the register should be allotted for each denomination and type. The first and last serial numbers of each block of certificates, the total number received and the balance in hand shall be entered in the relevant columns of the stock register. The total number of the certificates issued alongwith their serial numbers shall be shown in the issue column of the register against the date of issue and the balance on hand after each issue noted in the balance column. The balance should be verified once in a month by the Postmaster who should initial and date the registers in the column provided for the purpose in token of having exercised this check.

(2) Stock Register in respect of certificates supplied and issued by Sub Offices : -The HO shall also maintain for each of its SOs a separate stock register of certificates in Form NC-12(a). As and when supply is made to a SO the date of supply, the first and last serial numbers of the certificates supplied, the total number supplied and the balance in the SO after the supply shall be entered in the relevant columns of the register. On receipt of the issue journal from the SO the date of issue, the serial numbers of certificates issued, total number of certificates issued and the balance in the office shall be entered in the said register. It should be ensured that the continuity of the serial numbers of the certificates issued contained in a particular block remains unbroken. The entries in the register should be signed by the Supervising Officer in token of having exercised this check.

On the first working day of each month, the SPM should submit a statement showing the stock position of certificates in manuscript to the HO for verification. The official in charge of stock register of certificates of SO will verify the entries in the HO stock register for the SO, sign the statement in token pf having carried out the check and keep the statement in separate guard file for each SO. These statements will be preserved for a period of 3 years.

DISPOSAL OF SURPLUS STOCK

6. (1) Surplus stock of certificates should never be held in HOs and SOs and should be returned to the supplying office. Whenever certificates are required to be returned to the supplying office either as a result of stock being excessive or due to withdrawal of a series, an invoice in form NC-13 shall be prepared in triplicate by the S.O. and in quadruplicate by the H.O. The original should be retained by the despatching office and the remaining copies sent to the supplying office. After verification, the supplying office will return one copy of the invoice duly receipted to the despatching office and retain the second copy in the office. In the case of stock depot the third copy received from the H.O. will be sent to the Postal Accounts Office. In the despatching office the copy received back from the supplying office will be pasted to the original on record.

(2) The stock of certificates of old series no longer in operation should immediately be returned to the respective Postal Stamp Depots and no stock of such discontinued certificates should be kept in the HO.

(3) After the close of the year, all sub-offices should furnish the particulars of certificates returned to Head Office during the year due to excessive stock or obsolete issue of certificates in a statement by 15th April, each year. The statement should show type, series, denomination, number of certificates, date of return to Head Office and invoice number issued. Greatest accuracy should be ensured in writing the serial number and the distinguishing letters prefixed thereto. The Postmaster will satisfy himself from the

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statement that all the certificates returned during the year by the sub-office have been duly accounted for in the RO. He will sign the statement in token of this check. This statement will be kept in a separate guard file in the H.O. During the inspection of the office Inspecting Officers should verify the entries in the statement with NC-12(a) and NC-12 registers maintained at the Head Office.

(4) (i) The surplus stock of these certificates may be disposed of by cutting them into pieces in the presence of the Superintendent, Postal Stamp Depot or some other gazetted officer, as may be decided upon by Head of the Circle, and sold as waste paper to the paper mills. Before destroying the certificates it should be ensured that none of the unissued certificates is missing.

(ii) The amount realised by sale may be credited to Government under the head "unclassified receipts".

(iii) A suitable note of destruction of the certificates may be, made in the respective stock registers to be signed by the officer in whose presence the certificates are destroyed.

Note :- Retention of stock of obsolete and defunct series of certificates :- It is necessary to keep in stock some quantity of the obsolete series for the purpose of reissuing in respect of claims of deceased holders, on conversion from one denomination to another or for the purpose of issuing duplicate certificates when the "overprinted" duplicate certificates are not available. It has been decided that the following number of these series of certificates for each denomination may be retained in the Circle Stamp Depots.

Sl. No.	Series	Upto Rs.100 denomination	Above Rs.100 denomination
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(1)	5-Year Cash Certificates	5	5
(2)	5-Year N.S.Cs.	5	5
(3)	7-Year N.S.Cs.	5	5
(4)	12-Year N.S.Cs.	50	50
(5)	10-Year N.P.Cs.	100	50
(6)	12-Year N.P.S.Cs.	100	5
(7)	10-Year D.S.Cs.	10	5
(8)	12-Year N.D.Cs.	250	100
(9)	10-Year N.S.Cs.(I Issue)	100	100
(10)	12-Year N.S.A.Cs.	250	100
(11)	7-Year N.S.Cs.(III Issue)	250	100
(12)	7-Year N.S.Cs.(IV Issue)	250	100
(13)	7-Year N.S.Cs.(V Issue)	250	100
(14)	5-Year N.D.Bs.	250	100
(15)	6-Year N.S.Cs.(VI Issue) (Rs. 10 denomination)	250	--
(16)	7-Year N.S.Cs.(II Issue)	250	250
(17)	6-Year N.S.Cs.(VI Issue) (other than Rs. 10 denomination)	500	500
(18)	6-Year N.S.Cs.(VII Issue)	500	500
(19)	10-Year Social Security Certificates	--	250
(20)	6-Year Indira Vikas Patras	--	100

Note : For joint certificates in the series, reasonable number may be found within this total limit.

YEARLY LISTS OF UNSOLD CERTIFICATES

7. (1) A statement in manuscript giving the total number along with the first and last serial numbers of certificates of each denomination and of each different series remaining unsold on 31st March of each year shall be prepared by all Post Offices stocking the certificates. Greatest accuracy must be ensured in writing the serial numbers. The distinguishing letter prefixed thereto on no account be omitted.

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(2) A certificate should be endorsed on the statement under the personal dated signature of the Postmaster that the balance as per the stock register has been verified with the actual balance on hand and found correct.

(3) S.Os will send their statements to their Head Offices so as to reach it not later than 10th April each year. The H.O. should check the statements received from the S.O. with the register in Form NC-12(a) and send them along with its own statement to the Postal Accounts Office positively by the 30th April each year.

(4) There may be cases where the certificates in transit between H.O. and S.O. on 31st March or a day or two earlier will not find place in the statement of the S. O. or H.O. In such cases the H.O. while checking the statement of the unsold certificates of the S.O. with the register in form NC-12(a) should also - include the particulars of such certificates in transit in the statement of the concerned S.O. with suitable remarks.

YEARLY LISTS OF UNCLAIMED CERTIFICATES

8. (1) The unclaimed certificates lying in the custody of the Postal Accounts Office are preserved for a period of 30 years from the dates of maturity after which these become due for destruction. In order to give due publicity to enable the purchasers to prefer their claim relating thereto, the Postal Accounts Office will after the expiry of the said period of preservation, furnish to the Director General of Posts a yearly list of all such certificates in the first week of April of the year for notification in the Post Office Circulars and Postal Notices for general information of the public.

(2) If any claim is received, the Postmaster will forward the same to the Postal Accounts Office referring to the relative Director General's Post Office Circular, certifying that he has satisfied himself as to the applicant's identity. In case of doubt, he will require the person claiming to be the holder to produce evidence to prove his identity.

(3) The Postal Accounts Office will return the claim papers along with the relevant certificates, if not already destroyed, with its authority for payment which will show the amounts of principal and interest. On receipt of this authority, payment will be made to the holder or his agent or messenger in the manner laid down in Rules 23, 27, 28 and 50.

(4) The Postal Accounts Offices will furnish the yearly list referred to in para (1) above containing particulars of the unclaimed Savings Certificates due for destruction at the end of each financial year in the proforma given below so as to reach the Director General, Department of Posts, not later than 15th June. A "nil" statement if there is no list to be furnished, should be sent by the said date.

PROFORMA

Name of the Circle

Sl.No.	Office of Issue	Name of series	Sl. No. of certificate(s) with prefix
1	2	3	4
Denomination Rs.	Date of Issue	Name of holder	Remarks
5	6	7	8

APPLICATION FOR PURCHASE OF CERTIFICATES - SIGNING OF

9. (1) (a) A person who wishes to purchase a certificate should be requested to fill in the prescribed application form and sign it himself. This signature will serve in future as the specimen signature to establish the identity of the purchaser in all matters relating to the certificate. In the case of purchase in joint names the application must be signed by both the joint purchasers. Illiterate purchasers should affix their mark or thumb impression.

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(b) Purchasers may be advised to have their father's name or in the case of married women, their husband's full name recorded on the application for purchase to facilitate subsequent identification.

(c) A purchaser who is unable to sign or affix his mark or thumb impression to the application for purchase may be permitted to present application signed by a literate proxy on his behalf.

(d) A person holding a general power of attorney from a person may sign the application for purchase in the name of such a person.

(e) A minor can purchase certificate through an adult (any person) or direct in his name.

(f) If the mode of payment for purchase of certificate(s) is by cheque, demand draft, Pay Order or Pay Slip, the number, date of cheque, etc. and the name of the Bank on which it is drawn should be indicated in the application for purchase.

(2) Deleted.

(3) From 1.4.1995 the National Saving Certificates (VIII-Issue) and Kisan Vikas Patras can be issued to an adult for himself or on behalf of a minor or to a minor or two adults jointly (joint A type or B type) or to a trust only. The application for the issue of the certificates in the name of the trust shall be signed by a person authorised by the trust on its behalf. The NSCs (VIII-Issue) can also be issued to Hindu Undivided Family w.e.f. 2.8.2001. The application for purchase will be signed by the Karta of HUF.

Note : The certificates can be issued to a trust which is registered under any law for the time being in force. The certificates cannot be issued to a trust which is not registered.

(4) From 13.5.2005 the issue of NSCs (VIII-Issue) to HUF and Trusts and KVP to Trusts only has been discontinued. The certificates issued to these bodies before 13.5.2005 will continue till maturity and will not be extended further. The maturity value or pre-maturity value as the case may be of these certificates will be paid in accordance with the existing rules.

APPLICATION ON BEHALF OF MINORS

10. (1) When an application is received for the purchase of a certificate on behalf of a minor, the certificate should be issued in the name of the minor. The word 'Minor' and the date of birth should be added after the entry of the name in the certificate. The application should be signed by an adult purchasing the certificates on behalf of a minor.

(2) A person purchasing a certificate on behalf of a minor may indicate either at the time of purchase or afterwards anyone of the following as person entitled to encash the certificates during the period of minority on behalf of the minor:

1. Father;
2. Mother;
3. Either parent (father or mother);
4. Legal guardian.

(3) The authorisation made in accordance with para (2) will become ineffective on the death of the minor.

MODES OF PAYMENT FOR CERTIFICATES PURCHASED

11. (1) After the application is found in order, the Counter Assistant should accept the amount tendered. The serial number on the top of the application should be written prominently in RED INK. Payment for

purchase of a certificate may be made by Cash, Cheque, Pay-order, Demand Draft, Matured Certificates or a duly signed Post Office Savings Bank withdrawal form together with the pass book.

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(2) The following procedure will be followed when payment is made by any means other than cash:-

(a) **Payment by means of Post Office Savings Bank withdrawal form** :- Where payment is made by withdrawal from the POSB the investor will submit a withdrawal form duly signed. The signature on the application for withdrawal should be compared with the specimen on record and if it agrees, the warrant of payment for the SB withdrawal should be disposed of in the same manner as in the case of ordinary SB withdrawal. The investor will not be asked to sign the warrant of payment in token of receipt of the money withdrawn and it will be completed by the postmaster signing the pay order adding thereto the words "by transfer credit to Post Office Certificates". The amount should be shown as a withdrawal in the SB ledger, L.O.T. and pass book, the remark "for purchase of.....Certificates". "Application No....." being made against the entries. The amount should be charged under the head "Saving Bank withdrawal" in the accounts of the Post Office by per contra credit to the appropriate head under Post Office Certificates.

(3) **Payment by cheque** :- (i) Payment may be made for purchase of certificate(s) by crossed or open local cheque drawn. The cheque should be drawn in favour of the Postmaster to whom the application is presented. The cheque drawn in favour of the Postmaster by the applicant must be endorsed on its back as "For issue of Certificates in the name of Signature of drawer. If the cheque is drawn in favour of the postmaster by a person other than the applicant, it must either be endorsed on the back of the cheque as "for issue of certificate(s) in favour of Shri/Smt..... " or should be accompanied by a letter from the drawer of the cheque to the effect that certificate(s) be issued for its value in favour of the applicant, Shri/Smt.....

The Postmaster will grant the applicant a preliminary receipt in Form NC-4(a) for the cheque. If the certificate is of the kind which will have the date of presentation of the cheque as date of issue, the certificate(s) should be made out in the same way as if the applicant has tendered cash but should not be made over to the purchaser until the cheque is actually encashed. After the cheque is encashed, the date of encashment should be recorded on the issue journal and the certificate(s) delivered to the purchaser on his surrendering the preliminary receipt which should be pasted to the application for purchase.

If the certificate(s) is such as can be issued only after encashment of the cheque, the certificate(s) will be made out only on encashment and it will bear the date of encashment as the date of issue. Delivery to the purchaser will be done as above. For this purpose the date of encashment would mean the date on which the proceeds of cheque/demand draft etc. are credited into Govt. account.

(ii) In SOs open cheques shall be cashed locally only if there is no clearing house or bank handling treasury business and if the cheques are drawn on a bank situated in the same place as the post office, otherwise it should be sent to the HO for clearance. In case of an open cheque, it should be crossed by the Postmaster before sending it to HO.

(iii) **In Head Offices**: -Open or Crossed Cheques drawn on local Banks either received direct at the HO or from SOs shall be collected through the Clearing House if there is one at the Station. If there is no clearing house or Bank handling treasury business, open cheques shall be collected locally and crossed cheques sent to the Bank performing treasury work duly entered in the treasury pass book as a cash remittance after endorsing it in favour of the Bank. On receiving credit for the amount, the postmaster will make a note against the entry in his Issue Journal or advise the SO to do so if the cheque was tendered at a S.O.

(iv) Any commission charged by the Bank for realising the value of crossed cheque tendered by the post office, will be shown by the postmaster as expenditure under "other contingencies" and included in the

contingent bill, the full amount of the cheque being credited in the accounts. Any charge for commission appearing in the "Not-payable monthly contingent bill" should be supported by Bank's memorandum showing the commission deducted.

(v) Demand drafts and Pay Orders should be treated in the same manner as cheques.

Note :- Procedure for accounting of cheques, etc., realised in payment for NSCs in Head and Sub Offices :- (1) NSCs VI/VII Issue Rules and NSCs VIII-Issue/KVP/IVP Rules, provide that where payment for Certificate is made by cheque, pay order or demand draft, the date of such Certificate will be the date of encashment of the cheque. The date of encashment would mean the date on which the proceeds of the cheque, etc. are credited into the Government account. The procedure prescribed for

clearance of SB cheques should be adopted mutatis mutandis for clearance of cheques in payment for NSCs. It is provided therein that where SB cheques, etc of Sub Offices are cleared by the concerned H.O., they are accounted for at the H.O. on their realization as part II deposits. Since there is no such provision for cheques. etc. for NSCs. the question has arisen as to how they should be accounted for. The following procedure is laid down in this behalf.

(2) The procedure will be the same as for Savings Bank cheques, etc. upto the stage of encashment. The date on which the cheque, etc. is encashed shall be the date of issue of the Certificates. When a cheque etc. of the Sub Office is encashed the amount will be accounted for in the books of the Head Office as under:-

(i) Head Office Summary

Receipt Side Remittance received from sub Office	Payment Side Remittance to the Treasury/Bank
---	---

(ii) Sub Office Summary

(a) The amount should be shown in red ink in the remarks column against the concerned sub-office as remittance received in advance (to be adjusted subsequently when accounted for in the sub-office).

(b) At the bottom of the Summary, the amount should be shown against the column 'Advance received in the Head Office but not shown in the daily account of the remitting Sub Office'. The amount should be shown as part of the balance by deduction from the total outstanding balance of the sub-office.

(c) An intimation of encashment of the cheque, etc. should be sent to the concerned Sub Office on the same day, as in the Annexure.

(d) On receipt of the intimation of encashment of the cheque, etc. from the Head Office, the Sub Office will issue the NSC(s) and account for the value in its S.O. Account and Daily Account as under:

Receipt Side Purchase of NSCs (..... Issue)	Payment Side Remittance to Head Office in advance by cheque encashed on..... by the Head Office.
--	--

(e) On receipt of the daily account in the head office the amount will be accounted for in the sub office summary as under :-

SUB OFFICE SUMMARY

Receipt Side Purchase of NSCs (..... Issue)	Payment Side Remittance to Head Office
--	--

and the amount shown in red ink against the office in the remarks column will be cleared with corresponding adjustment in the balance at the bottom of the Summary on the day.

ANNEXURE

Intimation of credit of cheques, etc. in payment for NSCs (..... Issue)

From	To
Postmaster	Sub Postmaster
.....
No.....	

Cheque No..... dated for Rs..... drawn on bank received from your office on in payment for NSCs (..... Issue) was encashed on

Postmaster

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(4) **By surrender of matured certificates:** - (i) A holder (or successor in the case of deceased holder, whose claim has been entertained and sanctioned by the competent authority) may tender matured certificates accompanied by an application for purchase at any post office. The particulars of the certificates SQ tendered namely; Serial Nos. Denomination, the date and office of issue, name of the holder and date of maturity will be noted in the application for purchase. The signature of the applicant shall be obtained on the back of the certificate in token of discharge. The holder should write "through purchase of fresh certificate vide application attached" after the words 'Received payment of Rs.....Paise.....(in words and figures)' on the reverse of the certificate where the matured certificate is tendered at the office of its issue or is accompanied by an identity slip, the postmaster after verifying the genuineness of the signature will issue fresh certificate of the series current on the date of maturity of the old certificate and of the denominations applied for equivalent to the aggregate value of the proceeds of the matured certificate. If certificate of the required denomination cannot be issued to cover the full matured value of the certificate, the residual amount will be paid in cash to the investor. Where reinvestment is desired at a post office other than the office of issue of the certificate and no identity slip is produced, the particulars of the certificate (and not the certificate) along with a specimen signature of the holder will be obtained from the holder and sent to the office of issue for verification. The investor will be given a probable date when he should present the certificate again for issue of fresh certificate. On receipt of report of verification, fresh certificate will be issued in the usual manner. The particulars of the fresh certificate issued in lieu thereof will then be intimated to the office of issue of the matured certificate, which in its turn will note down the date of encashment of the matured certificate on the relevant application and paste the intimation so received on the application.

(ii) The matured certificate will be treated as encashed and included in the discharge journal in the usual manner. The fresh certificate issued in lieu will also be included in the issue journal in the usual manner and the following remark will be made in the remarks column of the journal against the relevant entry:

"Issued in lieu of matured certificate No..... for Rs..... maturing on.....".

(iii) The date of issue of the new Certificate except NSCs VI & VII Issues, will be the date of maturity/extended maturity of the old Certificate or the date of commencement of the new series, whichever

is later. The date of issue of NSCs VI to VIII Issues, will be the date on which the old Certificate duly discharged, is presented.

SCRUTINY OF APPLICATION FOR PURCHASE

12. (1) An application for purchase in the prescribed form presented at a H.O. or S.O. should be examined by the Counter Assistant to see that :_

(a) The applicant is eligible to purchase a certificate under the rules;

(b) The total face value of the certificates applied for has been correctly shown in the application and agrees with the amount tendered;

(c) The application has been signed by the proper person in accordance with the instructions contained in Rule 9.

(d) The full address of the investor is furnished below his signature;

(e) Entries relating to joint purchase, purchase on behalf of other persons or minors are correctly filled in or scored out if not relevant to the case;

(f) The maximum limit of holding wherever prescribed in the Rules is noted in the space provided for the purpose.

(g) The investor has correctly indicated whether he requires an identity slip or not. If he wants the identity slip and the certificates through an authorised agent or a messenger he has signed at the proper place of the application for purchase in addition to the signature referred to in item (c) above. If the purchase is made through an authorised agent or messenger his specimen signature and mark of identification, if any, have been given in the application in the space provided for the purpose;

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(h) Where the purchaser does not make the purchase through an authorised agent, the relevant item of the application is scored out;

(i) If the certificate is required to be pledged then the application is accompanied by an application for transfer as pledge in form NC-41.

PROCEDURE FOR ISSUE OF A CERTIFICATE

(2) If the application is found in order the counter Assistant should accept the amount tendered. He will note the serial No. on the top of the application prominently in the red ink. The certificate will be prepared neatly bearing in mind the following instructions. If for any reason a certificate cannot be issued immediately, a receipt in form NC-4(a) will be issued to the investor as per rule 13.

(a) the certificate issued is in strict sequence of the numbers in each block of certificates :

(b) the name of the holder is written invariably in block letters and the spelling is strictly the same as given in the application. The address of the holder as given in the application should be written legibly on the certificate.

(c) Certificates issued under items (c) and (d) of sub-rule (1) of Rule 9 above, will be made out in the name of the holder followed by the remarks "through..... name of person.....Relationship..... Designation....."

(d) the following particulars are entered legibly in the space provided for the purpose on the certificate :-

(i) The name of the Post Office of Issue.

Note:- If the certificate is issued at the experimental Post Office, full name of the Post Office of issue should be written on the face of the certificate instead of writing the name of the office of issue as experimental P.O. number.

(ii) The date of issue which shall be the date on which the amount is credited.

(a) In case of cheques, drafts, pay orders etc. the date of encashment of the instrument for purchase of 6 years NSCs (VIII Issue) and Kisan Vikas Patra.

(b) By surrender of a matured certificate, the date of presentation of certificate duly discharged.

(c) By Money Order remittance from the field the date of issue of the M.O. from the field Post Office.

(d) The payment is made at a B.O. the date of deposit at the branch office.

(iii) the date of maturity is calculated from the date of issue - For example a 6-Year National Savings Certificate purchased on 1st April 2000 does not mature on 31st March 2006 but on 1st April 2006. If the date of maturity falls on a Sunday or a Postal Holiday, the payment should be deemed to be due on the business day immediately preceding.

(iv) the registration No. which will be same as the Serial No. allotted to the application;

(e) the date stamp at the place provided for the purpose;

(f) the remark "Nomination registered under No. dated.....", if nomination has been made by the investor;

(g) the stamp "Identity Slip No.issued on.....is affixed both on the certificate and the application, if an identity slip is issued;

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(h) The remark "Transferred as security to....." written in red ink on the back of the certificate, if the certificate is required to be pledged.

Note:- There is no provision of Identity Slip in NSCs(VIIIth-Issue)Rules.As such the provision of clause (h) above will not apply to NSC (VIIIth-issue).

(3) The counter Assistant will then enter the serial numbers and denominations of certificates on the reverse of the relative application and place the application for purchase, the certificate, the issue journal and the Nomination Register before the Postmaster.

(4) The Postmaster should check the entries in the application with the entries in the certificate and issue journal to see that the counter Assistant has carried out all the checks and completed all the documents in accordance with the rules. He should particularly see that the sales shown through authorised agents have been made by the investor through the authorised agent and that in case of direct sale of the application form has been scored out. He should then sign each of the certificates and put the date and signature below the page of the application which should be stamped with a legible impression of the oblong M.O. Stamp on the top right hand corner. He will then transfer the above documents to the counter Assistant. The Counter Assistant should deliver the certificate(s) to the purchaser, after obtaining his receipt on the application. If the purchaser applies for delivery through his agent or messenger, authorised by an entry on the form of application or in a separate letter, the certificate should be delivered to the agent or messenger on his signing the receipt on the application in the space provided for the purpose.

Note : The affixing of the date and oblong stamp with legible impression on the application for purchase and savings certificates may be got done by the Postmaster from the Group 'D' official in his presence.

(5) If payment for the purchase of a certificate is made by means of a cheque, pay order or demand draft, the certificate should be handed over to the applicant only after the amount of the cheque etc. is realised.

ISSUE OF PRELIMINARY RECEIPT

13. (1) In cases where certificates are not available for issue immediately or a large number of certificates are required to be issued at one time involving long detention of the investor or his agent at the counter, a preliminary receipt in Form NC-4(a) may be issued. In Head and Sub Offices the receipt will be prepared in duplicate. It will be signed by the postmaster. The serial number allotted to the application for purchase will be noted on the receipt in the space provided for the purpose. The remark 'Preliminary receipt No.dated..... issued' should be noted at the top of the application for purchase under the signature of the postmaster. The particulars of the receipt should also be noted in the daily issue journal instead of the particulars of the certificate. The original copy will be given to the investor or his messenger indicating thereon the probable date on which the certificate is likely to be available for delivery. Action should be taken to see that the certificates are ready for delivery on the due date. The investor will surrender the receipt duly signed in token of having received the certificate either personally or through his agent at the time of taking delivery of the certificate. If the investor or his agent or messenger does not call at the post office for taking delivery of the certificate within a reasonable time, intimation may be sent to him to attend the Post Office for obtaining delivery of the certificate(s). The surrendered receipt will be pasted to the application for purchase and a remark of the date of delivery made in the office copy of the receipt under the dated signature of the Postmaster.

(2) In case the delivery of a certificate is not taken within one month from the date of its preparation action as per Rule 40 will be taken. A suitable remark will be made on the office copy of the receipt also.

(3) An index of preliminary receipt numbers issued will be maintained in Form MS-15 and kept in the custody of the Postmaster to watch the continuity of the serial numbers of the receipts issued by the Office. As each book is exhausted, the postmaster will withdraw it from the counter Assistant and see that it is complete with necessary remarks duly recorded on the duplicate copy about the date of delivery of the certificates under his signature. A fresh book of receipts will then be issued. Before each book is brought into use, it should be checked by the counter Assistant to see that it contains the correct numbers and copies of receipts. He should then write the word "Checked" on the cover under his dated initials. Defective receipt book will be returned to the postmaster who will make a note in the index of receipts and personally destroy the same.

An index of preliminary receipts will also be maintained in Form MS-15 in the Head Office. In respect of receipts issued by each SO under it to watch the continuity of the serial Nos. of the receipt issued.

Receipt Books in triplicate will be used in BO. The duplicate copy will be submitted to the Accounts Office along with the application duly entered at the back of the daily account. The Account Office will see that the receipt has been correctly prepared in accordance with the particulars viz., the name of the investor, and the amount tendered for purchase of certificate noted on the application for purchase. The receipt should be kept secure in a separate guard file. An Index of preliminary receipts supplied to and issued from each BO should be kept in Form MS-15. The B.O. should forward to the account office the original receipt surrendered by the investor on delivery of the certificate. In the account office this will be pasted to the application for purchase after comparing the signature of the investor or his agent, the name of the investor and the amount of investment.

(4) When a holder loses a receipt and requests in writing for the delivery of the certificates without production of the receipt the certificate will be delivered to him on proper identification and after comparing his signature on the letter with the signature on the application for purchase. A remark about the loss will be made on the office copy of the preliminary receipt under the dated signature of the Postmaster and the letter requesting for delivery attached to the application for purchase. In Case of B.O. the letter from the holder will be forwarded to its account office after the holder has been satisfactorily identified.

(5) In case of IVPs when a holder loses the Preliminary Receipt and requests for delivery of certificate, the certificate shall not be delivered to him as it is not possible to establish the identity of the holder.

PROVISIONAL RECEIPTS FOR CERTIFICATES

14. (1) When certificates presented at a HO or SO are taken possession of otherwise than for immediate payment a receipt in Form NC-11 should be granted by the HO or SO at which the certificates are tendered.

(2) When a certificate for which a provisional receipt was granted is returned to the holder or its cash value is paid to him care should be taken to secure the surrender of the provisional receipt. The receipt should be filed with the application for purchase and if the receipt was granted by an office other than the office of issue, it should be forwarded to the office of issue alongwith the advice of payment (NC-10) to be filed there with the application for purchase.

15. DELETED.

SALE OF CERTIFICATES INDEPENDENTLY BY SELECTED BRANCH POST OFFICES

16. A few Branch Offices have been authorised to issue and discharge savings Certificates independently. The detailed procedure for this is given in the book 'Rules for Branch Offices'.

(i) Such Branch Offices are authorised to issue and discharge NSCs upto Rs. 100 denomination only. Certificates of single holder type will only be issued to individual adults. Certificates to the total value of Rs. 500 only can be issued to an individual on any single day.

(ii) These Branch Offices will not independently discharge any certificates which are not issued from their own offices without reference to the Account Office.

(iii) For other denomination and types as also for sale to the joint individuals, minors etc. Branch Office will follow usual procedure as contained in the Book 'Rules for Branch Offices'.

(iv) The particulars of certificates issued will be furnished by the Branch Postmaster on the back of the daily Account. The account office should verify whether the total amount of issue is included in the amount credited in the daily account under "Savings Certificates issued". The particulars of issue should be incorporated in the journal of the certificates issued from the account office below the last entry for the certificates in the Account Office itself.

NOTE: -The authorised stock to be held by each Branch Office will be determined by the Superintendent/Senior Superintendent of Post Offices. When certificates are issued by the Branch Offices, stock should automatically be replenished.

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SALE OF CERTIFICATES THROUGH AUTHORISED AGENTS AND PAYMENT OF COMMISSION THEREON. APPOINTMENT OF AUTHORISED AGENTS AND THEIR FIELD OF OPERATION.

17. (1) Appointment of authorised agents :- (i) The authorised agents appointed by the State Government Authorities can canvass investment in Savings Certificates within the State and can purchase certificates on behalf of the investors from the post offices to which they are attached for this purpose. This will not, however, preclude an agent from purchasing a certificate on behalf of an investor whose permanent address as given in the application is outside the jurisdiction of the issuing post office to which he is attached.

(ii) The Appointing Authority will send an advice regarding appointment of agents and cancellation of Certificates of Authority regularly every month to the Head/Sub Postmaster concerned. Intimation of cancellation of agencies must always be sent to the Head Post Office concerned and to the post offices with which the agent is attached.

(2) Scope of the Agency :- The agency at present is confined to canvass for the sale of Kisan Vikas Patras, National Savings Certificate (VIII-Issue), deposits in Time Deposit Accounts and Monthly Income Scheme Accounts. It may be extended to such other small savings securities as may be notified by the Government of India from time to time as being saleable through authorised agents.

(3) Eligibility :- (a) Adult Individuals and EDBPMs will be eligible for appointment as authorised agents. An individual selected for appointment should be a person of substance having wide contacts and sufficiently educated to transact the agency business. He/She must be a person of integrity preferably owning some immovable property or well-known to the local authorities. Non-gazetted employees of the Central and State Governments are eligible for appointment as Internal Agents only on the recommendation of the head of the office concerned. Agency of such government officials will stand automatically terminated on their promotion to Gazetted post or on transfer to other office. The scope of Internal Agent so appointed will be limited to the staff of that office premises and their family members only.

(4) Attachment of SAS Agents to more than one Head Post Offices :- The para 19 of MoF (DEA)'s O.M. No. 1(13) NS/57 dated 13.12.1959 as amended from time to time regarding Standardised Agency System provides that in large cities, where there are more than one Head Post Office, an agent can be attached to all sub-offices under all the Head Post Offices to effect transactions. The position has been reviewed and it has now been decided that in future a SAS agent will be attached to sub-offices falling under the jurisdiction of a particular Head Post Office only. This would be applicable to the agents appointed after the date of issue of these instructions. However, the cases of the existing agents may also be reviewed and necessary action taken for bringing out the change in their case within a period of six months from the date of issue of this letter.

Note :- The agent can be attached to one or all sub offices under the same head office for effecting transactions but for receiving receipt books he can be attached to anyone sub office or head office.

(5). Receipt of Certificate of Authority :- The post office to which the agent is attached for drawal of receipt books gets a copy of the Certificate of Authority from the Appointing Authority which contains the specimen signature of the agent and his photograph. In the case of Government servants appointed as internal agents in offices and Extra Departmental Branch Postmasters, no photograph is necessary. The Certificate of Authority should be maintained by the Postmaster in a serially numbered guard file. In case the agent is attached to a sub office, the Head Office will also receive a copy of Certificate of Authority

containing the specimen signature but not the photograph which will be similarly recorded in the guard file by the Head Post Office. The sub offices, other than the one to which the agent is attached for purpose of drawl of receipt books, will not receive copy of the Certificate of Authority.

(6) Transaction of business through messenger:- (i) In case an agent is permitted to nominate a messenger to transact business with the post office on his behalf, the Appointing Authority will send to the head post office concerned a copy of the authorisation letter containing the specimen signature of the messenger and his photograph affixed to it. The Appointing Authority will also forward a copy of the authorisation letter containing the signature of the messenger to the sub offices where the agent is attached. This should be recorded in the post office along with the Certificate of Authority of the agent. A brief note regarding appointment of the authorised agent's messenger will also be recorded on the appointment certificate of the authorised agent in red ink.

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(ii) As and when an authorised messenger is required to sign any document of the post office in place of the authorised agent, he should note below his signature "authorised messenger of authorised agent No....." and his signature will be verified with reference to one on record or available with the messenger.

(7) Termination of Agency :- (i) When an agency is terminated or an agent dies, the Appointing Authority will send intimation under registered post to the post office to which the agent was accredited with a copy to the head office if the agent is accredited to a sub office. In the order terminating the agency, the Appointing Authority will specify the date by which the unused and partially used up receipt books should be returned to the post office by the agent.

(ii) The agent shall deposit the amount of investment lying with him undeposited and return the partially used and unused receipt books forthwith to the post office concerned. Non compliance of this rule by the authorised agent by the date fixed by the Appointing Authority in the order terminating the agency shall be reported to the Appointing Authority by the post office.

(iii) The used up receipt books containing only agent's copies of receipt need not be obtained from the agents on the termination of their agency. The unused receipt books after their surrender by the agent(s) to the post office will be brought again on the stock register and issued to other authorised agents for their use. The period of preservation of the partially used up receipt books after their surrender to the post office is 3 years.

(8) Stocking and Supply of Receipt Books :- (i) The authorised agents' receipt books will be printed and supplied by the National Savings Commissioner, Nagpur, to the Postal Stores Depots. The Postal Stores Depots will supply to the head office under invoice for its own use and that of the sub offices under it authorised to issue receipt books to agents.

(ii) The head and sub offices will maintain a stock register of receipt books on the lines of the stock register of certificates. Whenever a receipt book is supplied to the agent his receipt will be obtained in the stock register. Each receipt will be machine-numbered and will be with a counterfoil. The foil for the receipt will be issued by the agent to the investor which will be taken back duly signed after the certificates are delivered to him. All the rules regarding stocking, supply, checking and other matters as applicable to certificates will be applicable to receipt books.

(iii) The total value of the receipt books of all denominations issued to an agent will not exceed the total values specified in the Certificate of Authority. Whenever a new receipt book, is supplied to an agent

the Postmaster will ensure that the authorised limit is not exceeded and the previous receipt book has been exhausted.

(iv) The receipt books will be in the following denominations:

(a) (i) The receipt books are printed in the following three types viz.:

(a) not above Rs. 1000

(b) not above Rs. 5000 and

(c) not above Rs. 10,000.

(ii) The crossed cheque receipt books are without any denomination. The column of the amount is left blank.

(b) The agent will use "crossed cheque receipt books" only when crossed cheques are tendered by investors. They can not convert cheque receipt books into cash receipt books unless permitted by the post office. However receipt books for cash transactions can be used both for cash transactions as well as for crossed cheque transactions if the receipt books for crossed cheque are exhausted with the agent.

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(c) The agents will be given the choice to select the denominations of receipt books, and how many of each denomination they would like to have, subject to the condition that the overall maximum limit prescribed is not exceeded.

Note 1: In the event of loss of a receipt book the agent should report the loss to the Post Office, the Appointing Authority and the Regional Director, National Savings concerned immediately.

Note 2 : If any receipt in the receipt book of an agent is cancelled by him for any reason the original receipt will be destroyed by the Postmaster/ Sub Postmaster himself after recording a remark about the cancellation of receipt under his dated signature on the agent's copy of the receipt.

(v) The HSG Sub-Office can place indent for the supply of receipt books directly with Postal Stores Depot if authorised by the Head of Circle. In such cases Postal Stores Depot will supply receipt books to HSG Sub-Officer under advice to the Head Office by sending a copy of the invoice sent to HSG Sub Office. In the Head Office the particulars of these receipt books will be entered in the stock register of receipt books maintained sub-office wise.

(9) **Supply of receipt books to SAS agents :-** (i) The existing system of allowing the agents to accept cash from investors has been reviewed. It has been decided that the maximum limit of cash receipt books to be issued to Small Savings Agents will henceforth be Rs. 50,000/- at a time. There will, however, be no restriction for accepting cash from a single investor subject to the maximum limit of Rs. 50,000/-. There is no change in so far so issue of cheque receipt books is concerned.

(ii) The agents shall never, under any circumstances, exceed the amount upto which a receipt form is valid for an investment or investments and they shall not make any alteration in the matter printed on the receipt form and counterfoil.

(iii) The Appointing- Authorities will check the antecedents of the agents before their appointment. In case where the Appointing Authority is an Officer authorised by a State Government that State Government will appoint Supervisory Authority whose duties include checking of receipt books on demand and to report the irregularity, if any, to the Appointing Authority. In the event of any misappropriation of investor's money by an agent appointed by an Appointing Authority authorised by a State Government, that State Government will bear the loss.

Note 1 : Supply of receipt books to SAS agents :- (i) Some of the Circles have reported that SAS agents have secured business exceeding the prescribed limit of Rs. 50,000/- in a day by cash by obtaining receipt books fraudulently from the post office. This matter has been examined in consultation with Ministry of Finance (DEA) and it has been decided that strong action should be taken against the erring agents as well as the postal officials in charge issuing receipt books to the agents. The maximum limit of cash receipt books to be issued to SAS agents and also the limit of cash handled by them at a time is Rs. 50,000 uniformly in the country.

(ii) The Head and Sub Office will maintain a stock register of receipt books. Whenever a receipt book is supplied to the agent, his receipt will be obtained in the stock register. Each receipt will be machine numbered and will be with a counterfoil. The foil of the receipt will be issued by the agent to the investor which will be taken back duly signed after the certificates are delivered to him. All the rules regarding stocking, supply, checking and other matters as applicable to certificates will be applicable to receipt books.

(iii) Whenever a new receipt book is supplied to an agent, Postmaster will ensure that the authorised limit of Rs. 50,000 is not exceeded. The Postmaster will also ensure from the counterfoil of the used receipt books that the amount so collected have been deposited in the post office.

The maximum limit of the cash receipt books to be issued to the agent is Rs. 50,000 at a time and not in a day. If the receipt books are consumed and the cash is deposited in the post office, the agent can obtain again the receipt books on the same day. In other words, he can obtain receipt books on more than one occasion on the same day. The idea is that he should not retain cash of more than Rs. 50,000 with him at a time.

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(10) Purchase of certificate by an authorised agent :- (a) When an agent wants to purchase a certificate he will present at the post office to which he is attached an application for purchase duly signed by the purchaser together with the issue price and the receipt book containing the counterfoil of the receipt the foil of which was handed over to the investor.

(b) The post office will verify the identity of the agent by reference to the specimen signature in the Certificate of Authority on record in the post office or one available with the agent, compare the entries in the application for purchase and agent's copy of the receipt. If these are in order, the counter Assistant will affix his signature on the agent's copy of the receipt, with date stamp and issue a certificate observing all the required formalities and deliver it to the agent after taking his acquittance in the application for purchase. It should be seen by the Postmaster that the investor himself has signed the authority for purchase through authorised agent. Ordinarily an agent is required to deposit the amount of investment through him on the day of receipt of the money from the investor but in no case should the money remain un-deposited beyond 10 days from the date of receipt of money by the agent. This period can, however, be raised by the Appointing Authority to 15 days in case of such agents only who are attached to post offices in areas where communications are not easily available. In such cases the Appointing Authority will make a note to this

effect in the relevant Certificate of Authority or if this is done later, an intimation will be sent to the post office concerned who will make a note in the copy of Certificate of Authority available with it and attach the letter to it.

If the amount of investment is presented at post office on a date later than the date borne on the application for purchase it should be ensured that an endorsement "Presented at post office on..... (date)" is recorded on the application for the purchase and signed by the agent.

(11) **Rates of Commission :-** The agent shall be entitled to receive a commission at such rate as may be notified by the Government from time to time in respect of each of the securities sold through him under the terms of the agreement executed by him. The rates of commission admissible to SAS agents as fixed from 1.1.2000 and 2.8.2004 for S.C.S.S. by the Government are furnished below :-

Sl. No.	Name of Securities	Rate of Commission
(i)	1/2/3/5-year Time Deposits	1%
(ii)	Monthly Income Account Scheme	1%
(iii)	Kisan Vikas Patras	1%
(iv)	National Savings Certificates (VIII-Issue)	1%
(v)	Senior Citizens Savings Scheme	0.5%

(12) **Reinvestment of matured Certificates/Deposits through agents:-** The investors can reinvest their matured securities (certificates/deposits) through the agents. The agents will be entitled to the commission for such investments. For this purpose, the agent will obtain pass book alongwith withdrawal form duly completed or matured certificates duly signed on the back by the investor. The depositor/investor will write on the application form (SB-3) or application for purchase of certificate under his signature that the matured deposit/certificates are being reinvested through the agent..... (name of agent and C.A. Number). The agent will submit the documents at the post office. Since handling of cash is not involved in such cases, the agent will issue receipt of the documents from the cheque receipt book with suitable remark and hand it over to the investor as per normal procedure. The particulars of deposit/certificate which is to be reinvested will be written in place of cheque number. The residual amount which cannot be reinvested under the rules of any scheme will be returned to the agent by cheque or cash as the case may be. The Postmaster will write on the application for withdrawal i.e on the back of matured certificate under his signatures the amount reinvested and the balance amount returned to the agent. However, no commission is payable for redeposit of Time Deposit in a new T.D. account under Rule 6(3) of Time Deposit Rules, 1981 as for such redeposit original date of maturity is given on the new deposit. The agents should not therefore, accept such redeposits.

(13) **Investments on which commission is not payable to agents :-** No commission will be payable to agents :-

(i) On sale of certificates presenting investment of Provident, Superannuation, Gratuity and Endowment Fund money, funds of Co-operative societies including co-operative banks, compensation money paid to displaced persons in the form of Savings Certificates, Court funds in the control of Government Officers or local or statutory authorities or conversion to certificates of cash securities already pledged to Government Officers by contractors, etc. or investments required to be made in Small Savings

Securities under any statute or by an express order of the Government or investments made by Institutions, Trusts, Companies, Associations etc. or such other investments as may be notified by the Government in this behalf from time to time. On holding invested in excess of the prescribed limit. If any commission is found paid to the authorised agent on the excess holdings, it should be recovered.

(ii) Where a redeposit of a matured Time Deposit is made in a new account under sub rule (3) of rule 6 of P.O. Time Deposit Rules, 1981 retrospectively from the date of maturity. The commission will, however, be payable in case of redeposit made under rule 6 (1) of the P.O. Time Deposit Rules, 1981.

(14) Payment of commission to heirs of deceased agents :- In the case of death of the authorised agent, the commission admissible to him/her may be sanctioned and paid to his/her heir(s) by the authorised Postmaster after establishing the claim.

(15) Issue of certificate of commission earned by authorised agent :- A certificate of commission actually paid during the financial year should be issued to the authorised agent by the Postmaster annually at the end of the financial year on receipt of a written request to this effect from the authorised agent. Such certificate may be issued on charging a fee of Re. 1/- per certificate. The request for issue of such a certificate can be made on plain paper with postage stamp of Re. 1/- duly affixed which will be defaced by the date stamp of post office.

(16) Facilities to be provided to agents by the Post Office :- The agents should be provided all facilities and full cooperation by the Postal Staff whenever they attend the post office to transact their business. They should be treated with all courtesy and allowed to come inside the post office. They should, in no case, be asked to stand in queues with the members of the public. They should also be provided facilities for drinking water by the post office. The postmaster should fix separate hours after the close of the business of Savings Bank so that the agents can come and transact their business during these hours.

(17) Report to Income Tax Authorities :- The Head Postmaster should send a list of authorised agents drawing commission of Rs. 5,000/- and above during the financial year to the concerned Income Tax Commissioners as soon as possible after the close of the year.

(18) Report to National Savings Authorities :- The head office will intimate to the Regional Director, National Savings concerned the monthly total of commission paid at the head sub offices under each scheme not later than the 10th of the month following the month of payment.

(19) Collection of Small Savings through District Savings Officers :- The District Savings Officers of the National Savings Organisation are also authorised to collect small savings directly through receipt books for all schemes. The receipt books supplied to them by the National Savings Organisation are of different pattern and can be easily distinguished from the receipt books supplied to the authorised agents by the post offices. Whenever a District Savings Officer collects small savings directly, he will present at any post office doing savings bank work in his jurisdiction, an application for purchase of savings certificates or application form (SB-3) for opening of SB/ RD/TD/MIS/NSS account alongwith pay-in-slip duly signed by the purchaser/ depositor together with the amount and the receipt book containing the duplicate copy of the receipt the original of which was handed over to the investor/depositor. The post office will issue certificate(s)/pass book after observing the usual formalities except that no commission is payable on these sales/transactions. The transaction will be treated like a direct purchase. The counter Assistant will, however, sign and impress the date-stamp on the counterfoil of the District Savings Officer's receipt book at the time of issue of the certificate/pass book.

(20) Recovery of Expenditure: - The whole expenditure incurred on payment of commission to authorized agents for the sale savings certificates and deposits in RD/TD/MIS/NSS/PPF accounts under the Standerized Agency System/MPKBY Agency/PRSG Leaders is debitable to Ministry of Finance (DEA). For this purpose this expenditure is booked by the Postal Accounts Offices direct under the final head “ Major Head-8008-Income and Expenditure of National Small Savings Fund-03-Management Cost-103-Payment of Agency Commission to agents”.

(21) **REVISED PROCEDURE FOR PAYMENT OF COMMISSION TO SAS AGENTS**

Note 1:- Under the revised procedure the commission will be paid to agents at source at the of time depositing money at the post offices. This is effective from 1.5.2000.

Note 2 :- There is no change regarding issue of receipt books to the agents. The agents will keep the Investor's copy of the counterfoil duly signed by the investor in lieu of having received the certificate attached to his own copy in his receipt book for his record.

Note 3 :- The agent will produce his receipt book containing the agent's copy of the counterfoil at the post office at the time of depositing money for further action by the post office as at present vide para 8(b) above. There is no change in this procedure. The counter Assistant will check the continuity of the receipts issued in the receipt book to ensure that there is no break in the receipt issued.

Note 4 :- The particulars of the post offices with which the agent is authorised to transact business are recorded in the Certificate of Authority of the agent. The agent can deposit money at these post offices and claim commission at source under the new procedure. For the purpose of drawal of receipt books the agent will be attached to only one particular post office as at present. There is no change in this procedure.

Note 5 :- The specimen of form of receipt ACG-17 is enclosed at **Annexure 1** which may be supplied to the agents for their use. A specimen of the revised proforma of schedule ACG-6(n) is also enclosed at Annexure 2 for use in the head offices.

PROCEDURE IN HEAD OFFICES

(1) When any certificate is sold through an agent, the application for purchase is accompanied by the required amount either in cash or by cheque. The following entries will be made at the top of the application for purchase under the signature of the agent.

	Deposit by Cash	Rs.		Deposit by Cheque	Rs.
(i)	Amount of gross deposits	-----	(i)	Amount of gross deposits	-----
(ii)	Amount of commission received	-----	(ii)	Amount of commission due	-----
(iii)	Net amount to be tendered (i) – (ii)	-----			-----
	Signature of Agent			Signature of Agent	

(2) The agent will tender the net amount of investment in cash and gross amount by cheque and give a receipt for the amount of commission received in Form ACG-17 in both cases to be attached to the application for purchase, The agent will write his name and authority number below his signature on the receipt ACG-17. If the amount of investment is paid in cash, the gross amount will be credited under the Head "Sale of NSCs (VIII-Issue)/ KVP in all the accounts records after the certificates are issued to the

agent. The amount of commission paid will be charged under the Head "Commission paid to SAS Agents for sale of NSC VIII Issue/KVPs",

(3) If the amount of investment is paid by cheque, the receipt for the commission in Form ACG-17 will be kept in deposit and the cheque will be sent for collection. The particulars of the receipt ACG-17 will be entered in the register of commission paid to agents for investment by cheque as prescribed in para (5) below. The agent will be informed about the probable date on which he can collect the amount of commission. When the cheque is realised and accounted for, the date of realisation of the cheque will be noted in column 9 of the register. The payment may be made by cash or cheque on the receipt ACG-17

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kept in deposit when the agent attends the post office. The amount paid will be accounted for in the accounts on the date of payment. The certificate of proper payment made to the agent to be given by the Postmaster at the bottom of the receipt ACG-17 will be amended as under in case of commission paid on deposits by cheques

“Certified that the amount mentioned above has been paid to the proper person. The cheque for the amount of Rs..... was realised and accounted for in the H.O. on

Date.....

Signature of Head/Sub/Branch
Postmaster with designation stamp.

(4) The sub offices dealing with the bank directly will not send the local cheques to the head offices but will get the cheques realised from the bank. These sub offices will send other cheques to the HO for their realisation alongwith receipt ACG-17. The sub offices not dealing with the bank directly or branch offices in direct account will send the cheques and receipt ACG-17 to the head offices for their realisation. After the cheques received from sub offices are realised and accounted for, the intimation of the date of realisation of the cheques and their accounting in the HO and the receipt ACG-17 bearing "pay order" of the Postmaster will be sent to the concerned Sub/Branch Postmaster for payment of commission to the agent in cash or cheque, as the case may be, on the receipt ACG-17.

(5) A register in the following form will be maintained in respect of transactions made by cheques at the Head/Sub/Branch Offices in direct account in order to keep the record of receipts ACG-17 and payment of commission to agents against these receipts. The serial number in the register will run on annual basis from April to March each year.

REGISTER OF COMMISSION PAID TO AGENTS FOR INVESTMENTS BY CHEQUES

Sl. No.	Name of agent	No. of certificate of authority	Name of scheme in which deposit made	Name of office where deposit made for which receipt ACG-17 kept in deposit	Amount of deposit	Cheque No. and date
1	2	3	4	5	6	7

Amount of commission	Date on which cheque realised and accounted for in HO	Date on which commission paid to agent on receipt ACG-17 for deposit in HO	Date on which receipt ACG-17 sent to SO/BO duly passed for payment for deposit in SO/BO	Signature of the Postmaster	Remarks
8	9	10	11	12	13

Note :- A single register will be maintained by each branch of Savings Bank for its own schemes for convenience, proper disposal of receipts ACG-17 and their payment to agents.

(6) At the close of the day, the Head Office will prepare a schedule of commission paid to agents separately for each scheme in duplicate for transactions made at the head and sub offices in the form ACG-6(n). The daily and progressive total of the schedule will be cast upto the end of the month. The upper copies of the schedule for the month along with receipts (ACG-17) will be sent to the Postal Accounts Office along with the Monthly Cash Account. The second copy will be kept as office copy.

(7) Under the new procedure a separate schedule of commission paid to agents is prepared for each scheme. There are three agency systems at present with which the post offices are dealing viz. (i) SAS Agents (ii) MPKBY Agents and (iii) PRSG Leaders. For the purpose of posting the figures of payment of commission to agents in the cash book of the HO and other account records, the figures from various schedules will be consolidated agency wise and posted in the cash book etc. Thus only these entries will be made in cash book and other account records.

(8) A separate issue journal for savings certificates sold through agents in form NC-48 will not be prepared. Now all the certificates sold directly or through agents will be included in the same issue journal in form NC-18 w.e.f. 1.10.2000.

(9) **Register of commission paid to agents :-** At present the Postmaster is required to give to agents a certificate of commission paid to them during the financial year after the close of the year for their income tax purposes. For this purpose a register in the following form will be maintained in the Head Office in which one or more pages will be allotted to each agent depending upon his number of transactions made during the year. A single register will be maintained in respect of all the schemes including savings certificates. A separate register will be maintained for each financial year. The register will be posted on daily basis from the respective schedules prepared for commission paid to agents scheme-wise.

REGISTER OF COMMISSION PAID TO AGENTS

Year

Name of Agent

Certificate of Authority No.

Date and month	Name of scheme in which deposit made	Sl. No. of the schedule	Amount of commission paid	Initials of P.A.	Initials of Postmaster
1	2	3	4	5	6
Total:					

Note:- The names of agents may be entered in alphabetical order in the register. An index with the following column may be prepared on the first page of the register.

Sl. No.	Name of agent	C.A. No.	Page No.
1	2	3	4

This will facilitate quick posting in the register.

PROCEDURE IN SUB AND BRANCH OFFICES

(22) (1) If the amount of investment is tendered in cash by the agents, the procedure contained in para 1(1) and (2) above will be followed and the receipts ACG-17 attached to the list of commission paid to agents will be sent to the Head/Account Office in support of the charge. The agent will write his name and Authority Number below signature on the receipt ACG-17. The list will be prepared in the form given below in duplicate scheme-wise separately for each series of certificates. The duplicate copy will be kept as office record.

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List of commission paid to agents for investment incertificates

Sl. No	Name of agent	No. of certificate of authority	Sl. No. of certificates	Amount of investment	Amount of commission paid	Remarks
1	2	3	4	5	6	7
Total :						

Date Stamp

Signature of Sub/Branch Postmaster

(2) If the amount of investment is paid by cheque, the sub offices not dealing with the bank directly and branch offices in direct account will send the cheques and receipts ACG-17 to the head office. The sub offices dealing with the bank directly will send cheques other than local ones and receipts ACG-17 to the head office. On receipt of intimation of realisation of the cheque and its accounting in the HO and the receipt ACG-17 bearing "pay order" of the Postmaster, the SPM/BPM will note the date of realisation and accounting of the cheque in column 9 of the register prescribed in para (4) below. The receipt ACG-17 will be kept in deposit and its particulars will be noted in the said register. The payment will be made by cash or cheque on the receipt ACG-17 kept in deposit when the agent attends the post office. The SPM/BPM will give the following certificate at the bottom of the receipt ACG-17 in such cases :-

"Certified that the amount mentioned above has been paid to the proper person. The cheque for the amount of Rs..... was realised and accounted for in the H.O. on

Date.....

Signature of Sub /Branch Postmaster
with designation stamp”

The amount of commission paid will be accounted for in the accounts on the date of payment and receipt ACG-17 sent to HO/Accounts Office attached to the list of commission paid.

(3) The Sub Offices dealing with the bank directly will not send the local cheques to the HO but will get the cheques realised from the bank and keep the receipts ACG-17 in deposit. On realisation of the cheque, the amount of deposit will be accounted for and commission paid to agent in cash or cheque on receipt ACG-17 as per procedure described in para (2) above.

(4) A register in the following form will be maintained in respect of transactions made by cheques at the sub/branch offices in order to keep the records of receipts ACG-17 and payment of commission to agents against these receipts. The serial number of the register will run on annual basis from April to March each year. A single register for all the SB/SC schemes for various agents will be maintained in the Sub/Branch Offices.

**REGISTER OF COMMISSION PAID TO AGENTS FOR
INVESTMENT BY CHEQUES**

Sl. No.	Name of agent	No. of certificate of authority	Name of scheme in which deposit made	Amount of deposit	Amount of commission	Cheque No. and date
1	2	3	4	5	6	7
Date on which the cheque and receipt ACG-17 sent to HO/AO		Date on which cheque accounted for in the HO	Date on which receipt ACG-17 received from HO/AO	Date on which commission paid to the agent on receipt ACG-17	Signature of the Sub/ Branch Postmaster	Remarks
8		9	10	11	12	13

(5) The ED Sub Offices and Branch Offices which are not authorised to issue certificates independently will send the application form for purchase of certificates alongwith cheque for investment, if any, and receipt of commission of the agent in Form ACG-17 to the Head/Accounts Office. The net amount for investment will be taken from the agents for deposit by cash and gross amount for deposit by cheque and accounted for as such in their accounts. On receipt of certificates and receipt ACG-17 duly passed for the amount of commission for investments by cheque from the Head/Accounts Office, further action will be taken as described above.

(6) A separate issue journal for savings certificates sold through agents in form NC-47 will not be prepared. Now all the certificates sold directly or through agents will be included in the same issue journal in form NC-18(S) w.e.f. 1.10.2000.

(23) **Documents to be discontinued :-** With the introduction of the new procedure the preparation and maintenance of the following documents will be discontinued and work connected with them will be saved.

(i) The agents will not prepare the bills (NC-50) for commission for submission to the post offices and the work in connection with the scrutiny of the bills, payment of commission etc. will be saved.

(ii) The register for keeping accounts of sales of certificates for each authorised agent (NC-49) series wise and denomination wise in the HO will not be maintained.

(iii) A separate issue journal for savings certificates sold through agents in sub offices and head offices in form NC-47 and NC-48 respectively will not be prepared. Now all the certificates sold directly or through agents will be included in the same issue journal in form NC-18 and NC-18(S) by the head and sub offices.

Clarification :- Issue of Receipt Books to SAS Agents after the introduction of new procedure for payment of commission to agents at source at the time of depositing of money in Post Offices :- (1) Consequent on introduction of the new procedure for payment of commission to various categories of agents at source, some of the Circles have raised a question regarding supply of Receipt Books to the SAS Agents. In this connection, it is clarified that there is no change in the existing procedure for supply of Receipt Books to the authorised agents.

(2) The liability of delivering certificate/pass book to the investor is of the agent. If any complaint from investor about non-receipt of certificate/pass book is received, this should be brought to the notice of the concerned Regional Director, National Savings for taking appropriate action against the authorised agent.

(3) The counterfoil of the receipt duly signed by the depositor/investor in lieu of having received the passbook/certificates issued be retained by the agent concerned.

(24) **Preservation of records relating to payment of commission to agents :-** Consequent to the introduction of the new procedure for payment of commission to various categories of agents, some new documents/records have been introduced. -The preservation period of these records have been fixed as under :-

S1. No.	Details of records	Period of preservation
(i)	Register of commission paid to agents during the year	3 years
(ii)	Register of commission paid to agents for investment by cheques	3 years
(iii)	Schedule of commission paid to agents	3 years
(iv)	List of commission paid to agents	2 years

MAINTENANCE OF THE APPLICATION FOR PURCHASE

18. The applications for purchase should be serially numbered and carefully preserved in a guard file in the office of issue.

NOTE: - In the case of a Branch Office, the office of issue of the certificate is the accounts office.

The guard file be bound securely in Volumes of 200 applications. The guard file of application when not in use should be kept under lock and key in the custody of the postmaster.

Whenever a new series of certificates is introduced and an old series is discontinued the Postmaster will endorse the following remark on the last application for purchase of the old series :-

"New Series of certificates issued from.....Last serial No. of application for this series is....."

A fresh serial number should be given to application for purchase received thereafter. A suitable remark about the date of introduction of the new series should also be made in the stock Register.

DISPOSAL OF APPLICATIONS RECEIVED AT BRANCH OFFICES

19. (1) An application for purchase tendered at a B.O. authorised to transact S.B. business should be submitted by the B.P.M. to the accounts office entered in the daily account. It should be examined in the accounts office in the manner prescribed in Rule 12. If it is found in order and the required amount has been credited in the B.O. accounts, the accounts office should prepare the certificate and send it to the B.O. entered in the B.O. slip for delivery to the purchaser. The accounts office must keep a watch on the receipt back of the preliminary receipt [Form NC-4(a)] granted by the B.P.M. to the purchaser.

(2) The date of issue of a certificate purchased at B.O. will be the date of receipt by the B.O. of the application and the amount of investment. The date of maturity will be calculated from that date of issue. The certificate should, however, be impressed by the office of issue with the date stamp of the date of preparation of the certificate.

(3) On receipt of the certificate from the accounts office, the B.P.M. will issue a call to the investor requesting him to take delivery of the certificate. If he does not attend the B.O. within a week of the receipt of the call, the B.P.M. will return the certificate to the accounts office duly entered in the B. O. daily account. The accounts office will dispose of the certificate in accordance with Rule 40.

(4) When the investor attends the B.O., the certificates should be delivered to him on his surrendering the preliminary receipt duly receipted with date. The receipt should be sent to the accounts office, duly entered in the B.O. daily account. The registration number of the certificate shall be entered on the receipt by the B.P.M. before its despatch to the accounts office.

PREPARATION OF JOURNALS OF CERTIFICATES ISSUED

20. (1) (i) The particulars of the certificates issued shall be entered in the journals of certificates issued (Form NC-18 for H.O.; N.C.18(s) for S.Os; NC-47 for SOs and NC-48 for Hos, as the case may be). Separate journals shall be prepared for each series and denomination of certificate, for direct sales (Form NC-18 and NC-18(s)) and sales through Authorised Agents [Form NC-47 and NC-48]. The entries will appear opposite an "Entry No." to be made in a consecutive monthly series and daily totals of all the entries will be made in the column for remarks against the last entry of the day in each journal instead of below it, in order that the entries of the following day may be commenced from the next entry No. on the same sheet. Care must be taken to see that the serial number of certificates issued are entered clearly and distinctly and that the index letter and No. prefixed to the serial No. are invariably included as without these it will be difficult for Postal Accounts Office to write up their records correctly.

(ii) In HOs and SOs where the counter work is done by an Assistant the Postmaster or Supervising Officer, who holds the stock of certificates, should check and initial daily the journal of certificates, issued in order to ensure that the value of every certificate taken out of stock during the day and not returned to him at the close of the day has been credited in the accounts.

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(iii) Where payment has been made by any of the modes other than cash prescribed in Rule 11, one or more of the following remarks as the case may require, shall be given against the relevant entry in the remarks column of the journal : -

- (a) Cheque/Demand Draft/Pay Order No..... dated..... on Bank.
- (b) Savings Certificate(s) Number..... .dated..... matured on.. ..
- (c) Withdrawal form, P.O.S.B. Account No.....

NOTE 1 : -The journals received from SOs will be checked to see that the sums represented by the issue of certificates have been correctly brought to account.

NOTE 2 : -The total of the transactions of the week must be struck in the respective weekly journals of issue by the Sub Office and progressive total carried forward from week to week. In the Head Office the totals of transactions will be struck on daily basis in the issue journals and progressive total, carried over to the end of the month.

NOTE 3 :- One copy of the journal issued by the head office and received from the sub offices shall be kept in separate monthly bundles. The other copy will be sent to Postal Accounts Office after the close of the month.

NOTE 4 :- If owing to non-availability of certificates in post offices or any other cause certificate cannot be issued at the time the amount is tendered, the amount received will be credited to the head "Purchase of Certificates" in the usual manner. The journal of certificates issued which will be prepared for such certificates should indicate only the following information :-

- 1. Entry number (i.e. 8 to 57, if the number of items is 50).
- 2.date of issue.
- 3.(Sl. No. of certificate to be left blank.)
- 4. number of certificate (say 50 certificates)
- 5. total issue price.

Remarks

Preliminary Receipt No..... ..for Rs.....

Subsequently when the certificates are actually issued, a journal will be prepared giving all the particulars, i.e. entry number, name of the depositor and amount and forwarded to the Postal Accounts Office

NOTE 5 : - In S.Os. for each day on which certificates are issued, daily journals will be prepared in triplicates and the second sheet of the triplicate form signed by the S.P.M. cut off immediately below the total for the day and sent to the H.O. entered on reverse of the daily account in the place for remarks. The original copies of the journals of certificates issued must be sent to the H.O. along with weekly journals on such dates as will admit of their accompanying the H.O. weekly journals to the Postal Accounts Office on the prescribed dates. If there are no transactions during a week, a blank weekly journal need not be sent to the H.O. The H.O. shall maintain a register of certificates in Form NC-12(a) for each S.O. as per Rule 5(2).

NOTE 6: - The S.Os. should show the balance of certificates in hand in the remarks column of the issue journals as and when any certificate is sold by them. On receipt of issue journal from the sub-office, the balance shown in the issue journal should be tallied in the head office with that arrived at in the stock register (NC-12a) of the concerned sub-office in order to see that the correct balance of certificates is maintained in the sub office. The entry of balance in the issue journal should be initiated by the A.P.M. in token of having carried out the check.

PAYMENT OF CERTIFICATE BY BRANCH OFFICES AUTHORISED TO DO CERTIFICATES WORK INDEPENDENTLY

21. The B.P.M. will furnish on the reverse of the daily account particulars of discharged certificates including the amount of principal, interest and the total amount paid. The accounts office should verify the total amount of principal, interest and the total and see whether the amounts have been included in the account and charged under the head "Certificates discharged" in the B.O. daily account. The particulars of discharged should be incorporated in the journal of certificates discharged for the accounts office itself below the entry of the certificates discharged in the office.

IDENTITY SLIP

22. (1) An adult individual purchasing a certificate on his own, on behalf of a minor or joint investors of certificates, may ask for an identity slip to be issued either at the time of purchase or at any other time thereafter.

Note : There is no provision for the issue of Identity Slip in N.S.Cs VIII-Issue Rules, 1989.

(2) If a person desires to obtain an identity slip at the time of purchase of the certificate, he will indicate his desire on the relevant column of the Purchase Application. In case the certificate is being purchased through a messenger or an agent, the investor should also give his "specimen signature" at the specified place of the application form. The purchaser will, if he so desires, also mention his special marks of identification below the specimen signature. In case this item in the application is left unfilled by the investor, the counter Assistant will then fill in the various entries in the counterfoil and the foil of the identity slip (NC-43). The stamp "Identity slip issued" will be affixed on the face of certificate as well as on the application for purchase and the number and date of identity slip issued will be noted in ink above this stamp impression. He will then place the book of identity slips along with the application, the Certificate and the issue journal before the Postmaster. The Postmaster will ask the investor to append his specimen signature on the identity slip in his presence and if the application has been received through an agent or messenger he will cut out the specimen signature of the purchaser furnished in the application form and firmly paste it on the back of the form of the identity slip in the space provided for the purpose. The marks of identification if furnished by the purchaser will also be noted in the proper place in the identity slip. The Postmaster will then verify the entries in the Identity slip and its counterfoil, the continuity of the number and the signature with that on the application and authenticate the identity slip with his signature and oblong stamp. He should also authenticate counterfoil with his signature and date stamp. In case the specimen signature is pasted at the back of the identity slip, the stamp should be affixed in such a manner that one half of the stamp is impressed on the other pasted slip (without obliterating the specimen signature) and that other half cover a portion of the blank space. The identity slip may be delivered to the investor if he attends the Post Office personally or to the authorised agent or the messenger under receipt on the counterfoil of the identity slip in the space provided for the signature of the holder or the messenger. At the close of each day, the Postmaster will examine the book of identity slips to see that slips of consecutive numbers have been issued under his signature and initial the last counterfoil of the day to save recheck on the following day. He should keep the book of identity slips in his safe custody. During the working hours the book of identity slips in use may be kept in the custody of the counter Postal Assistant, if the number issued daily so justifies it.

(3) If the holder of a certificate applies for the issue of an identity slip on a date subsequent to the date of purchase of the certificate, he will personally make an application to that effect at the office of issue mentioning in the application any special marks of identification he may wish to be recorded on the identity slip. The certificate will also be presented along with the application. The counter Assistant will take action

as in the preceding paragraph. The Postmaster will in addition to the check prescribed in the preceding paragraph, scrutinise the application for purchase to see that an identity slip had not already been issued, obtain the signature of the holder on the back of the identity slip and verify the same carefully with his signatures on the application for purchase and other particulars before authenticating the identity slip.

(4) In case of joint 'B' type certificate, if one of the joint holders is literate and the other illiterate, an identity slip may be issued bearing the signature of the literate holder only provided a written request is made jointly by both the holders in this behalf and the illiterate holder is identified to the satisfaction of the Postmaster.

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(5) No identity slip will be issued to a person other than the person (father or mother or either parents or legal guardian) authorised in the application for purchase in case of purchase on behalf of a minor.

(6) If the holder of a certificate to whom an identity slip has been issued reports its loss and applies for a duplicate identity slip, the Postmaster will issue a duplicate identity slip after the holder has been satisfactorily identified. A remark to the effect that the original identity slip has been lost and a duplicate has been issued should be recorded on the certificate, the identity slip and the application for purchase.

NOTE 1 : - Whenever an identity slip is to be issued to the holder of a certificate it should not be prepared till the actual time of the delivery of the certificate to the purchaser so that the risk of the loss of the identity slip in the office is avoided.

NOTE 2 : - Under the existing rules the savings certificates accompanied by Identity slip can be encashed from any post office in India doing S.B. work and prior verification from the office of registration is not necessary. Since Identity slip is an important document for authorizing encashment without prior verification, care must be taken to ensure that only the proper and serially numbered format in NC-43 is issued and accepted as Identity slip for savings certificates.

ENCASHMENT OF CERTIFICATE

23. (1) A certificate may be presented for encashment at any Post Office in India doing S.B. work. If it neither stands registered at the office nor is it accompanied by an Identity slip, the holder will be requested to make an application expressing his desire to encash the certificate at that office giving therein the name of the Post Office at which it stands registered, the full particulars of the certificate, viz., the serial number with the prefixed letters, date of issue and the registration number and the full name and address as given in the application for purchase. Below his signature should be given his present address. The particulars of the certificate shall be verified by the Postmaster from the original certificate which shall be returned to the holder for presentation after about a week. The application thus obtained shall be date-stamped and sent to the office of registration for verification and return within 3 days. The office at which payment is desired by the holder should telegraphically remind the office of registration if no reply is received within a week. In the meantime enquiries may be made at the local address about the identity of the applicant. On receipt back of the application from the office of registration the holder will be informed of the fact and requested to present the certificate for encashment. For revised procedure in such cases see rule 31.

The certificate to be encashed should be examined to see : -

(a) Whether the period of non-encashability has expired. In the following circumstances, however, a certificate may be encashed before the expiry of the period of non-encashability : -

(i) On the death of the holder or both of the holders in case of joint holders;

- (ii) On forfeiture by a pledgee being gazetted, Government Officer;
- (iii) When the holding is in excess of the prescribed limits;
- (iv) When the certificate has been issued in contravention of the Rules;
- (v) When ordered by a Court of law; and
- (vi) On the death of one of the joint holders in case of KVP and N.S.C. (VIII-Issue)

(b) That the name of the holder, the number of the certificate and date of its issue appearing in the application or the identity slip, corresponds with the entries on the certificate;

(c) That the certificate is not the one which has been reported as lost or stolen before issue from Post Offices in the Postmaster General's Circulars;

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(d) That the certificate has not been attached by a Court of law;

(e) that the identity slip if issued to the holder is surrendered, and it is in prescribed form. In case the identity slip is one on which the specimen signature of the holder is pasted, it should be carefully scrutinised to see that the specimen signature is not a substituted one and the stamp impression on it is intact;

(f) That the certificate is not the one in lieu of which a duplicate has been issued;

(g) If full maturity value is claimed the correctness of the date of maturity should be verified with reference to the Date Stamp and the date of issue noted on the certificate and the application or the identity slip; and

(h) that the certificate has not been reported at any time by the holder as having been lost, stolen or destroyed. In such cases procedure laid down in Note 2 below Sub-Rule(2) of Rule 43 will be followed.

NOTE : - Procedure for encashment of saving certificates accompanied by Identity Slips in office other than the office of registration : - It has been decided that the encashment of certificates accompanied by Identity Slips should not be delayed. Therefore, prior verification from the office of registration is not necessary. A reference may be made to the office of registration/issue to reconfirm the identity of the holder/genuineness of the Identity Slips. No undue harassment or delay should be caused to a bonafide investor/holder. If National Savings Certificates are presented for encashment with Identity Slip at an office other than office of registration after one year from the date of maturity of the certificate, a reference may be made to the office of registration for prior verification, if Postmaster considers it necessary.

(2) If the counter Assistant is satisfied on all the above points, he will calculate the amount payable and then ask the holder to sign the endorsement on the certificate "Received payment of Rs....." in words and figures in his presence. If the certificate is presented for encashment through a messenger, the endorsement should have been signed already and the certificate accompanied by a letter of authority containing the specimen signature of the messenger. It should be seen whether the signature below the endorsement and the letter of authority if any, agrees with that on the application or the identity slip. The certificate will then be placed before the Postmaster who will satisfy himself about the authenticity of the certificate and the title of the holder. He will also ensure that the examination of the certificate has been carried out in the manner prescribed and that the amount payable as noted on the certificate is correct. He will then pass order 'Pay' under his signature at a suitable place above the place for the holder's signature to

authorise payment. Payment will then be made by the counter Assistant. When payment is made to a messenger, his signature or thumb impression must be taken in addition to the signature of the holder, below the holder's endorsement, "Received payment of Rs.....".

In case the signature of the holder below the endorsement does not agree with that on record, payment will be made only after the holder has been identified and his signature has been attested by the identifier (other than the agent or messenger of the holder) who is known to the post office or by anyone of the following indicated at items (i) to (v) below with whose signature and seal of office the post office is familiar or on production of any proof mentioned in item (vi) below :-

(i) District organisers of the National Savings Organisation;

(ii) Justice of Peace, Magistrates (including honorary Magistrates) and Judges;

(iii) Members of Parliament or a Legislative Assembly/Council, Presidents of Municipalities Local Bodies and Sarpanches of Panchayats;

(iv) Principals of colleges and Head of high schools recommended by the Education Secretary or Directors of Public Institutions;

(v) A Government officer under his seal of office; and

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(vi) A Postal identity card, a passport or any other identity card containing holder's photograph issued by a proper authority. The particulars of such a proof having been produced should be recorded on the certificate under the signature of the supervising officer

The attestation should be in the following terms :-

"The applicant is known to me and has signed/his thumb impression has been taken in my presence".

The date of discharge and payment of interest of each certificate will be entered against the entry relating to the certificate on the reverse of the application under the date initials of the Postmaster.

NOTE 1 :- If the signature of the holder is attested by a Scheduled Bank, the form of attestation may be in the following terms:-

"The applicant is known to the Bank and his signature is confirmed".

NOTE 2 :- A Scheduled Bank or a Cooperative bank can act as the agent of the holder for collecting the proceeds of the certificate. If the bank presents the certificate(s) duly signed by the holder and confirms the signature of the holder on the certificate and furnishes an endorsement thereon to the effect that the payee's account will be credited with the proceeds, of the certificate, a separate letter of authority need not be insisted upon from the holder. In such cases payment should be made by means of a crossed cheque in the name of the holder which will be handed over to the bank under receipt. Sub-Offices will obtain the cheque from the H.O. In case the bank desires immediate payment in cash, it should be asked to produce the usual letter of authority from the holder. A scheduled bank or a co-operative bank acting as the agent of the holder as above can also authorise another bank to collect the amount from the post office on its behalf. In such cases, the first bank, will, in addition to the endorsement referred to above, furnish a further

endorsement in the form of an authority to the latter bank for collection only. Payment in such cases would be made to the collecting bank in the same manner as for the agent bank.

NOTE 3 : Special care should be taken to identify the holder if payment is desired through a messenger.

NOTE 4 :- The attestation of the signature of a perdanashin lady, may be made by the husband or son even if the latter is acting as an agent. In such cases, the relationship should be specifically stated below the signature of the attester.

(3) **Encashment by illiterate & Blind holders :-** An illiterate or blind holder must attend the post office in person and payment will be made after verification of the certificate, as laid down in Sub-Rule(1) above and after he, is satisfactorily identified in accordance with the rules for the payment of a money order to an illiterate payee. The endorsement referred to in Sub-Rule (2) will in this case be written by the identifying witness who must also attest the thumb impression or mark of the holder in token of payment having been made to him. If the holder is absolutely unable to attend personally, his thumb impression below the endorsement on the certificate must be attested by a respectable witness who is personally acquainted with him and the postmaster will make payment to the person presenting the certificate after satisfying himself, by such enquiry as he may think proper, of the inability of the holder to attend the post office personally and of the genuineness of his thumb impression. The receipt of the messenger should also be obtained on the certificate before payment, which must, at the same time, to be attested by the signature of a respectable witness known to the post office. The attestation in such cases should be in the following terms :-

"The applicant is known to me and the thumb impression or mark has been taken in my presence".

(4) **Payment to persons holding power-of-attorney :-** The postmaster will satisfy himself that the power-of-attorney is in order. The person receiving payment must grant the usual receipt for payment on the reverse of the certificate adding below his signature the words "duly constituted attorney for A.B. (Name of holder or certificate)". The Postmaster will make a note of the particulars of the power of attorney below the payee's receipt for payment and the fact that the power of attorney was examined by him and found to be in order.

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The above procedure will be followed for the encashment of certificates, belonging to lepers or invalids or a illiterate holder who has since become incapacitated. In these cases the power of attorney should be attested by a Magistrate.

(5) The holder of the certificate should encash the certificate purchased or acquired in excess of the prescribed limit or in contravention of the Rules, as soon as this fact is discovered by him. When such a certificate is presented for encashment no interest on the excess holding will be allowed from the date of purchase of the certificate which constitute the excess holding. If any interest has been paid on the excess or irregular holding, it should be recovered from the holder forthwith and if the holder refused to refund the interest irregularly paid this fact will be reported to the Head of the Circle for recovery .from any money payable by the Government to the investor or as an arrear of land revenue. If the holder has a Savings Account or other holding the fact should be brought to the notice of the head of the Circle.

Explanation :- A holding will not be considered in excess of the prescribed limit if it is due to the following reasons :-

(a) Inheritance;

- (b) Award by the Government for meritorious services;
- (c) Survivorship in the case of joint holdings;
- (d) Statutory devolution;
- (e) Nomination; and
- (f) Value of certificate which has already matured and ceased to earn interest.

NOTE 1 :- When a certificate presented for discharged is found to have formed the excess holding for some time, the interest on it will be allowed only from the date on which it was brought within the limit by discharge or transfer of part of the total holding. The calculation of interest on such a certificate will be made by application of the tables in force at the time of its actual issue. If an excess holding is noticed before the certificate held in excess is presented for discharge, a note will be kept on the back of the application of the particular certificate to ensure deduction of interest for the period of excess holding at the time of discharge.

NOTE 2 :- In case all the certificates enumerated in the identity slip are not encashed, the identity slip shall be returned to the holder after deleting the entries relating to the certificate encashed with the remark "Discharged on.....at.....P.O." A remark to the effect that identity slip which contained reference to other certificates has been returned to the holder, should be made in the journal of certificates discharged under the dated signature of the postmaster.

(6) Loss of identity slip :-(a) If the holder reports the loss of an identity slip, a declaration of the loss in the form given below will be obtained from the holder and the certificate will be discharged at the office of registration after verifying the genuineness of the claim and identity of the holder.

Form of declaration to be executed by a holder at the time of encashment of certificate in respect of which an identity slip has been lost.

"I,..... holder of certificate(s) No.(s) serial No.(s)..... hereby declare that the Identity slip/slips bearing Sl. No..... Book No..... which was/were issued from.....Post Office on.....in respect of the above said certificates..... has/have been lost from my custody.

Station.....

Date..

Signature of the holder

(b) The certificate can also be discharged at the office other than the office of registration, where the identity slip is lost from the holder after the prior verification from the office of registration. The interest of the department can be safeguarded if the prior verification of certificate is made from the office of registration to which the application of the holder as well as the declaration of loss of identity slip will be sent by the office of payment. On receipt of these documents in the office of registration necessary remarks about the verification of the certificate and loss of identity slip will be made in the application for purchase so that duplicate certificate is not got issued by any person who may present the identity slip at later stage. In the office of payment the certificate may also be discharged only on proper identification of the holder.

(7) After a certificate is encashed it will be impressed with the oblong M.O. Stamp of the officer on the back side.

(8) When a certificate is encashed on the strength of an identity slip the office of payment should send the discharged certificate and the identity slip to the Postal Accounts Office along with the journal of certificates discharged.

(9) In all cases in which a certificate is encashed at any office other than the office of registration, an advice of payment (NC-10) should be sent to the office of registration vide Rule 7 and vide rule 3(6)

NOTE :- After a certificate is discharged all the entries on the reverse which are not written in Hindi or English should be carefully translated into English.

(10) In case the holder of a certificate desires that the proceeds of the certificate be deposited in his Savings Account instead of being paid to him in cash, the holder should write on the back of the certificate "By credit to Savings account No." in addition to the existing entries over his signature. The Postmaster while affixing the oblong stamp in token of payment should add under his signature "Credited to P.O. Savings account No....." The amount will as usual be shown in the journal of certificates discharged with the remark "Paid by credit to S.B. account No....."

NOTE :- In case the certificate stands registered at an office other than the one where the holder has his P.O. Savings Account the provisions of Rule 31 will be followed before the amount can be credited to the P.O. Savings Account. The date of credit in the S.B. Account for purpose of interest in such cases will be the date on which the certificate is actually discharged after verification from the office of registration and not the date of submission of application by the holder.

(11) If the holder of a certificate desires to have a certificate of discharge, the same should be granted to him on realising fees as prescribed in the relevant rules of the different series of certificates.

(12) In case a nomination had been made in respect of the certificate encashed by the holder, the office of registration will make the entry "Cancelled by discharge" in the application for purchase, the application for nomination and the Register of Nominations.

(13) In Sub-Offices, the S.P.M. will pass the order 'Pay' under his signature at a suitable place above the place for the holder's signature before payment irrespective of the fact whether there is a separate counter Assistant for certificate work or not.

(14) When a certificate issued is presented for discharge and if the relevant application for purchase is found to be missing, the holder will be asked to submit a fresh antedated application for purchase and also a declaration that the certificate is not attached by a Court of Law. It will never the less be got verified from the Postal Accounts Office that the certificate stands undischarged and no duplicate has been issued. Identification of the holder will be necessary.

ENCASHMENT OF CERTIFICATES BY MINORS

27. (1) A certificate purchased by a minor himself can be encashed by him in the same manner as an adult.

(2) A certificate purchased on behalf of a minor can be encashed: -

(i) **During the period of minority:** -By the person nominated by the purchaser in the original application for purchase. If no such nomination has been made, the certificate can be encashed by the guardian of the property of the minor appointed by a competent court or where no such guardian has been appointed either parents of the minor or where neither parent is alive by any other guardian of the minor on his furnishing a declaration that the minor is alive and that the money is required for his use.

The paying Postmaster should satisfy himself about the identity of the person claiming payment. The relationship of the claimant should be noted below his signature.

(ii) **After the minor has attained majority :-** By the ex-minor himself. The payment will be made to him after the Postmaster has, with reference to the date of birth as recorded on the application satisfied himself that the ex-minor has attained the age of 18 years and that he is not a ward of Court or debarred from managing his own affairs. Before receiving payment the ex-minor has to establish his identity and his signature should be attested by the person who purchased the certificate on his behalf or any other person known to the Postmaster.

28. **Deleted**

ENCASHMENT OF CERTIFICATES HELD IN JOINT NAMES

29. (1) A certificate of joint A type can be encashed only under the signature of both the holders or by one of the joint holders if he produces a letter of consent from the other joint holder in the form given below :--

"I, the undermentioned joint holder of certificate No..... dated..... for Rs..... . registered at..... Post Office do hereby give my consent to the payment of the value thereof to..... who is the other joint holder".

Signature of the joint holder

The letter of consent should be attached to the discharged certificate for transmission to the Postal Accounts Office.

(2) A certificate of joint B type can be discharged under the signature of either of the joint holders presenting the certificate.

(3) When one of the joint holders dies, the payment on a joint type certificate, both joint 'A' and joint 'B', will be made to the survivor, he being the sole owner of the certificate. If the survivor desires to avail of facility of nomination, he will have to get the certificate transferred in his name. A single type certificate will be issued in the name of .the survivor. The cancelled certificate will be sent to the Postal Accounts Office along with the Issue Journal. [For such transfer of certificates governed by POSC Rules, NSCs (I Issue) Rule, 1956. NSCs (IV Issue) 1970-NSCs (V Issue) Rules, 1973 and ND Bonds Rules, 1977, no fee is due.]

ENCASHMENT OF CERTIFICATES AT BRANCH POST OFFICES

30. (1) If a certificate is presented for encashment at a BO doing Savings Bank work and in account with the office at which it is registered, the BPM will enter the particulars of the certificates in the prescribed form of BO Memo of certificates for discharge (NC-6) and forward the same to the account office accompanied, in the case of a literate holder, by an application for encashment.

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(2) On receipt in the accounts Office, the certificate shall be verified from the particulars furnished in NC-6 and the investor's signature on the application for encashment and the particulars of the certificate compared with those on the application for purchase.

(3) The warrant of payment on the reverse of the Memo (NC-6) will be written up and signed by the Postmaster. It will then be sent to the B.O. with the applicant's letter for payment. The warrant will remain current for a period of ten days from the date of receipt in the B.O. and if payment is not taken by that time, it will be returned to the accounts office. The lapsed warrant must be shown to the Postmaster and destroyed by him, a note being made on the application for purchase.

(4) When the discharged certificate duly receipted on the reverse is received by the accounts office from the B.O. It will be entered in the journal of certificates discharged and annual Interest Paid [NC-19 or NC-19(s)] the name of the B.O. being noted in the column for remarks. The warrant of payment and the letter from the literate holder will be filed with the original applicant for purchase.

ENCASHMENT OF CERTIFICATE AT AN OFFICE OTHER THAN THE OFFICE OF REGISTRATION

31. (1) When the holder of a certificate in respect of which no identity slip has been issued desires to discharge it at a post office other than the office where it stands registered the procedure laid down in Sub-Rule(1) of Rule 23 shall be followed.

On receipt of the application at the office of registration, it should be examined in the light of the instructions contained in Rule 23. It should also be seen that no identity slip had been issued. The specimen signature shall also be examined in the manner laid down in Rule 23 and if it agrees and the particulars of the certificate are correct, the Postmaster shall endorse on the application itself "Verified, Pay to holder. No identity slip issued" under his full signature and date stamp. A note regarding this verification will be made in the remarks column of the application for purchase against the entry of the certificate. The verified application will then be returned by registered post to the office from which it was received within 3 days.

NOTE 1 : - Checking of Post Office Savings Certificates with reference to the relevant records in post offices viz. Negative list, register of lost/stolen certificates before allowing their encashment/discharge after confirming their genuineness from the office of issue-change of procedure regarding encashment of certificate at an office other than the office of registration :- (i) Recently some incidents of fraudulent issue of lost/stolen savings certificates [lost/stolen in transit between ISP Nasik and various CSDs] and their subsequent fraudulent discharge by unscrupulous elements in various POs in the country have come to notice. The modus operandi adopted by the defrauders is that they use fake date/name/designations stamps etc. of different POs in the country to defraud the Department. It has also been seen that our staff are not referring to the Negative List at the time of discharge and in respect of

transferred certificates produced for encashment, the verification is not being done properly and there is sufficient reason to suspect connivance between staff and criminal elements.

(ii) In view of the above, as a preventive measure, it has been decided that henceforth verification of savings certificates produced by the holder at a post office other than the office of issue is to be done through the concerned Divisional Office instead of the existing practice of post offices directly verifying certificates from the post office of issue. Now post offices [including class-I HO] will consult the negative list or the register of lost/stolen certificates and after its satisfaction send such applications with details received from the holder to the concerned divisional office which in turn will forward to the parent divisional office of the post office which issued the certificates which will further verify the particulars given in the application from the post office of issue and return the same duly countersigned by the SSPOs concerned to the Divisional Office of the post office where such certificates were presented for encashment. For the purpose, both the Divisional offices will maintain a separate register with details of such transfers allowed/disallowed. The transmission of the application of transfer at all levels should be made by registered post and particulars of the registered letter should not be disclosed to the applicant/investor etc. The above procedure should also be adopted in the cases of transfer of savings certificates from one post office to another post office, where the investor has submitted his application of transfer [C-32] at the post office of registration.

(iii) Further, all payments on discharge of transferred certificates should be made through Account Payee Cheques only irrespective of the amount of discharge proceeds and payment should be effected only after proper verification of the local address of the payee.

NOTE 2 : - Checking of Post Office Savings Certificates with reference to the relevant records in post offices viz. Negative list, register of lost / stolen certificates before allowing their encashment/discharge after confirming their genuineness from the office of issue-change of procedure regarding encashment of certificate at an office other than the office of registration :- (i) A kind reference is invited to the letter No. 5-03/ASM-01/2004-INV dated 6.1.2005 on the subject above.

(ii) In order to further tighten the new verification procedure as prescribed vide above-referred letter so that it may not lead to unnecessary delays and give rise to public complaints, it has been decided to prescribe the below given time lines for the new verification procedure :-

Steps	Activity	Time Line
(a)	Postmaster after consulting the Negative list or the Register of lost/stolen certificates and after his satisfaction will send such applications with details received from the holder to the concerned Divisional Office.	Within 24 hours of the receipt of the application in the Post Office.
(b)	The concerned Divisional Office will forward the application to the parent Divisional Office of the Post Office which issued the certificate.	Within 48 hours of the receipt of the application in the Divisional Office.
(c)	The parent Divisional Office will verify the particulars given in the application from the post office of issue and return the same duly countersigned by the SSPOs concerned to the	Within 7 days of the receipt of the application in the parent Divisional Office.

	Divisional Office of the post office where such certificates were presented for encashment.	
(d)	The concerned Divisional Office after receipt of the application from the parent Divisional Office after due verification, will communicate the same to post office where application was presented for payment and payment will be made after following due procedure as per the rules.	Within 24 hours of the receipt of the application in the concerned Divisional Office.

(iii) All the inspecting authorities who inspect the concerned Post Office and Divisional Office have to compulsorily check that the above time line is strictly observed by all concerned and strict action should be taken against the concerned officials in cases of default.

Note 3:- The negative list must be made available at all counters for savings certificates transactions and must be referred even in cases where certificates were issued by the same office as there have been instances of fake certificates encashed at post offices. The NC-12 register must be maintained properly and reconciled on monthly basis in HOs. CC returns must also be sent duly checked on a month to month basis as there is tendency of concealing fraudulent encashment by delaying the returns and sending incomplete or incorrect or data. The certificate guard file must be kept in proper safe custody as instances of replacement of the entire NSC/KVP Purchase applications to facilitate fraudulent discharge have also been noticed. The PAO will take reconciliation work on priority and check whether returns are properly received with correct number of vouchers.

(2) In case the specimen signature of the holder does not agree with that on record in the post office of registration of the certificate and in the case of an illiterate holder where only thumb-impression will be available, the Postmaster of the office of registration will record a qualified endorsement on the application received for verification to the effect "Verified, pay to the holder on identification". This should however, not be made a matter of routine to record a justified endorsement.

NOTE: - In case the certificate is presented for discharge by an ex-minor or a person other than the holder whose claim has been admitted or by a Bank or any other public body who holds the certificate(s) and whose incumbents change from time to time or by an official authorised to hold certificate in a fiduciary, the postmaster of the office of registration should make an endorsement on the application received for verification to the effect "Verified", under his signature and date stamp.

One of the following endorsements as may be appropriate shall be made on the discharged certificate under the attestation of the Postmaster or other responsible official making the transaction: -

"Payment made on identification. Verified application attached".

OR

"Payment made after verification. Verified application attached."

(3) Payment shall be made to the holder in the usual manner. The date of payment of the certificate will be reported to the office of registration for noting the same in the application for purchase against the entry relating to the certificate. The verified application will be sent along with the discharged certificate to the Postal Accounts Office.

(4) If the office at which payment is applied for is a B.O. the application for encashment and the certificate will be sent to its account office entered in a B.O. Memo. of certificate for discharged (Form NC-6). The account office will take action in the manner laid down above and return the certificate to the B.O. concerned for return to the holder on surrender of receipt granted to him by the B.O. On receipt of the application for encashment duly verified from the office of registration, the account office will return it to the B.O. with the necessary funds for payment. On receipt from the B.O. after payment the discharged certificate will be attached to and its value entered in the H.O. or S.O. journal of certificates discharged [Form NC-19 or NC-19(s)], as the case may be along with the other certificates which have been repaid, care being taken to note in the remarks column the name of the office where the certificate was last registered.

(5) If, for any reason, the holder does not wish to take immediate payment on the verified certificate an intimation will be sent to the office of registration that the holder has not taken payment. On receipt of such intimation in the office of registration a note of the cancellation of verification shall be made in the remarks column of the application against the entry relating to the certificate. The verified application will, however, be kept in a separate guard file by the office where payment was sought for after making a note of non-encashment. When the certificate is presented again for payment whether at the same office or at any other office, a fresh verification by the office of registration will be necessary.

In case of a B.O. the verified application will be returned to its account office duly entered in the B.O. Daily account. The account office will follow the above procedure:

(6) **Advice of payment:** On discharge of the certificate the office of payment must at once prepare an advice of payment for the office of registration in triplicate by carbonic process in form NC-10. The upper pencil copy of the advice will be filed in the office of payment with the office copy of the journal of certificate discharged. The other two copies of the form will be sent immediately by registered post to the office of registration. The "Register No." of the certificate should be noted in the remarks column of the advice of payment against the entry of the certificate discharge. The office of registration on receipt of advice will forthwith note the discharge against the entries relating to the certificates in the remarks column of the application for purchase and the duplicate copy of advice will be attached with the application for purchase. The triplicate copy of the advice will there after be forwarded by the office of registration to its Postal Account Office with the certificate on the reverse duly completed. If, at the time of noting the discharge in the application, the office of registration finds that the certificates had been reported as lost or stolen or that it had been encashed already on production of declaration in lieu or duplicate certificate, it must forthwith report the matter telegraphically to the office of payment and the Head of the Circle.

(7) When after the release of a certificate from the pledge, the pledgee desires to encash the certificate at an office other than the office of registration, and presents the Certificate at that office, the holder will be requested to make an application expressing his desire to encash the certificate at that office giving therein the name of the Post Office at which the certificate stands registered, the full particulars of the certificate viz. the serial number with the prefixed letter, date of issue and the registration number, the full name and address, as given in the application for purchase and his present address, below his-signature. The letter of authority releasing the certificate from the pledge by the pledge should also be surrendered by the holder at the office where he desires to take payment. The particulars of the certificate as mentioned in the letter of authority shall be verified by the Postmaster from the original certificate which will be returned to the holder for presentation after about a week. The letter of authority releasing the certificate by the pledgee

will also be returned to holder after examination. The application shall be sent to the office of registration for verification.

On receipt of the application at the office of registration, it should be examined in the light of the instructions contained in Rule 23 above. If the specimen signature agrees and the particulars of the certificate are correct, the Postmaster shall endorse on the application itself "verified, pay to holder * Identity slip was/* was not issued" (* scored out which is not applicable) under his full signature and date stamp. A note regarding the verification will be made in the remarks column of the application for purchase against the original entry of the certificate. The verified application will then be returned within 3 days of its receipt by registered post to the office from where it was received. In case the specimen signature of the holder does not agree with that on record in the post office of registration of the certificate or the holder is illiterate and only a thumb impression is available, the procedure prescribed in Rule 31(2) above will be followed. The office of payment should remind telegraphically the office of registration if no reply is received within a week.

On receipt back the application from the office of registration, the holder will be informed of the fact and requested to present for encashment the original certificate and the letter of authority releasing the certificate by the pledgee. Before the certificate is encashed, the certificate will, be retransferred to the pledger (holder). The Postmaster of the office of payment will make the following endorsement on the certificate "Retransferred to..... (name of the holder)".

The letter of authority releasing the certificate from pledgee will be kept with the application of encashment. The certificate will then be encashed in accordance with the procedure laid down in Rule 23(1). Date of payment of the certificate "shall be reported to the office of registration as provided for in Sub Rule (6) above.

PARTIAL PAYMENT AND EXCHANGE OF CERTIFICATES

32. (1) At any time after the period of non-encashability, when the holder of a certificate or a duplicate certificate, desires in writing payment of a portion of his holding, wherever admissible under the rules, the Postmaster will, make payment in accordance with the procedure prescribed for encashment of certificate(s) (see Rule 23) and such fresh certificate(s) for the balance, to the holder. The columns in the issue journal relating to issue price realised will be left blank, a remark being recorded in lieu of certificate of Rs..... partially discharged. See entry No..... in Journal of certificates discharged. The date of issue to be noted on the fresh certificate will be the date of issue of the original certificate. The exchange of a certificate for a number of certificates of a lower denomination and of several certificates of lower denominations for one or more certificates of a higher denomination will also be regulated by the procedure described above.

Note : - Partial discharge is not admissible for KVP/IVP/NSCs (VIII – Issue).

(2) A note of partial discharge or exchange of a certificate should be recorded in the remarks column of the relative application against the entry relating to the certificate giving the particulars of fresh certificates issued.

(3) In the above cases fees as prescribed in the relevant rules of the particulars cases should be recovered and credited to unclassified receipts, the particulars of the credit being noted in the application.

(4) The following endorsement shall be made on the fresh certificate issued on partial discharge of a "declaration in lieu".

"Issue in lieu of declaration No..... ..Dated..... .. on partial discharge thereof. No. encashable without verification from the Office of issue".

The particulars of fresh certificate issued should also be noted in the declaration.

(5) In case of partial discharge of conversion of a duplicate certificate, a certificate in printed "Duplicate" for the residual or the actual amount shall be issued.

JOURNALS OF CERTIFICATES DISCHARGED

33. (1) (a) The Head and Sub Offices will prepare a "Journal of certificates discharged" in the prescribed form [NC-19 and NC-19(s)] respectively as soon as payment of the discharged or surrender value, as the case may be, of the certificate has been made to the holder. Separate journals should be prepared for certificates of each series denomination wise. The issue price and the amount of interest paid on each certificate should be shown separately in the appropriate columns of the journal. Daily total of all the payments made should be given in the remarks column against the last entry for the day in the journal instead of below in the column for the amount in order that the entry of the following day may be commenced from the next number on the same sheet. The journal will be prepared in duplicate in head offices.

(b) In S.Os for each day on which certificate(s) are discharged or annual/six monthly interest is paid, a daily journal will be prepared in triplicate and second sheet after being signed by the S.P.M. cut off immediately below the total for the day and sent to the H.O. entered on the reverse of the daily account in the place or remarks. The discharged certificate(s) alongwith the identity slips, if any, or the receipt on account of payment of interest be forwarded to the H.O. attached securely to the daily journal.

(c) The original copies of the journals will be sent to the head office along with weekly journals on such date as may be fixed by the Head Office. If there are no transactions during a week, a blank weekly journal need not be sent to the Head Office.

(d) When a certificate is discharged under the sanction of an officer higher than Postmaster, the number and date of sanction should be noted in the remarks column of the discharge journal against the entry of the certificate as also on the application for purchase/transfer. The registration number of the relevant application for purchase/transfer relating to the certificate should also be entered in the column of the journal.

(2) In Head Office, the daily journal of certificates discharged and annual/six monthly interest paid, received from sub offices will be checked to see whether the total amount shown as paid is correct and agrees with the entries in the daily account.

The interest paid should also be checked in each case with reference to the dates of issue and discharge of certificates.

The vouchers relating to annual/six monthly interest paid should be checked to see that they are in order in all respects.

(3) The total of the transactions of the week must be struck in the respective weekly journals of discharge by Sub Offices and progressive total carried forward from week to week. In the Head Office the

total of transactions will be struck on daily basis in the discharge journals and progressive totals carried over to the end of the month

(4) In Head Offices, the discharged certificates along with the respective identity slips, if any, and vouchers on account of payment of annual/six monthly interest should remain in the custody of the Postmaster until the time of their despatch to the Postal Accounts Office when they should be despatched in his presence.

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MEMO OF ADMISSION OF PAYMENT

34. (1) Should a certificate be lost in the office of Payment after it has been discharged, a Memo of admission of payment will be prepared duly signed by the ex-holder in token of having received the value of the certificate and containing the following particulars :-

Number of certificate

Denomination

Name of Holder

Date of issue

Amount paid at the time of discharge.

The signature of the ex-holder on the Memo should be checked with the signature on the application for purchase or transfer as the case may be and attested by the Postmaster. If his signature cannot be obtained, the case will be reported to the Head of the circle for orders if the amount involved is in excess of Rs. 500. The 1st class Head Postmaster and Superintendent of Post Offices will pass orders on such cases involving an amount upto Rs. 500.

(2) **Memo of admission of transfer :-** Should a certificate be lost in the post office after a fresh certificate has been issued to the transferee in lieu of it, a Memo of admission of transfer containing the following particulars will be prepared and got completed in the manner prescribed in sub para (1) above :-

No. of certificate

Denomination

Date of issue

Name of holder (transferer)

No. of fresh certificate issued (to the transferee)

Name of transferee

Date of transfer

35. (1) Nomination of a successor by holder of a Single type certificate :- An individual holder (an adult only) of a single type certificate may nominate either at the time of purchase or later but before the date of maturity or extended date of maturity of the certificate any person who in the event of his death shall become entitled to the certificate and to the payment of the sum due thereon. Except in the case of a certificate of the denomination of Rs.500 or below more than one person can be nominated. During the period, a savings certificate is pledged as security for any purpose, the nomination shall remain effective but the right of the nominee shall be subject to the right of the pledgee. The nomination once made can be cancelled or varied. If the nominee is a minor, the holder of the certificate making the nomination can appoint any person to receive the value of the certificate in the event of his death during the minority of the nominee. At the time of issuing the certificate(s) the counter Assistant should bring the facility of nomination to the notice of the investor and specifically ask him if he wishes to make a nomination which will avoid difficulties for his heirs.

Note :- The joint holders of National Savings Certificates (VIII Issue) and Kisan Vikas Patras can also nominate any person either at the time of purchase or at any other time after the purchase of certificates under the relevant rules of these series of certificates.

(2) Procedure for nomination :- The holder (an adult and not a minor) of a certificate who desire to make a nomination will apply in Form NC-51 duly signed in the presence of two witnesses and submit the application along with the certificate at the office of registration. Separate application for nomination

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should be submitted in respect of certificates included in each application for purchase or when different persons are to be nominated in respect of different certificates. No fee is levied for the nomination made for the first time.

(3) The signature of the holder in the application for nomination will be verified with his signature on the application for purchase. In case the signature of the holder does not agree with that on records the nomination will be accepted only after the holder has been identified that his signature has been attested by the identifier (other than the agent or messenger of the holder whose signature is known to the post office or by anyone of the authorities indicated at item (i) to (v) of sub-rule (2) of Rule 23 or on production of any proof mentioned in item (vi) of that sub-rule.) In the case of illiterate holders the witnesses will be persons whose signatures are known to the post office and are acceptable for identification as in the case of SB withdrawals. Care should be taken to see that the full address of the witnesses is given in the application. If the application is found to be in order, the nomination will be accepted under the dated signature of the Postmaster. It will then be registered in the Register of Nomination (Form NC-52) and the application filed in a serially numbered guard file which will be preserved as a permanent record. The serial number of the application should correspond to the serial numbers of registration in the register of nominations. A special rubber stamp "Nomination Registered under No.....on (date)" will be offered on the certificates and the relevant application for purchase under the dated signature of the Postmaster. In case nomination is to be registered in respect of some of the certificates only the stamp will be affixed against the entry relating to these certificates. The acknowledgement portion of the application for nomination duly completed will be handed over to the holder or his agent or messenger.

(4) Whenever a holder desires to vary or cancel a nomination, he has to submit an application in the prescribed form (NC-53) along with the certificates and the prescribed fee of rupee one in postage stamps affixed to the application. The application will be verified in the same manner as an original application for nomination. If found in order, the variation/cancellation will be accepted by the Postmaster under his dated signature and Postage stamps affixed on the application will be defaced with the date stamp of the office.

(5) In case of cancellation, a rubber stamp "Nomination cancelled" will be affixed on (i) the original application for nomination; (ii) application for purchase (iii) the certificates and (iv) in the remarks column

against the entry in the register of Nomination under the dated signature of the Postmaster. The application for cancellation will be filed with the original application for nomination. The acknowledgement portion of the application duly completed and signed by the Postmaster will be handed over to the holder or his agent or messenger.

(6) In case of variation, a rubber stamp "Nomination altered No..... (on date)" will be affixed on (i) the original application for nomination; (ii) the application for purchase; (iii) the certificate; and (iv) the entry in the Register of nominations under the dated signature of the Postmaster. The revised nomination will be registered under a fresh serial number in the Register of Nominations. The application will be filed in the guard book in its serial order. The acknowledgement portion of the application duly filled in and signed by the Postmaster will be handed over to the holder or his agent or messenger.

(7) Every care and precaution will be taken to maintain the register of nomination (NC-52) properly. When it is not in use, the Postmaster shall keep it in his own custody.

Note 1 :- If the nomination in respect of savings certificates is otherwise in order, the concerned Post Office can register it even after the death of the depositor and it will be valid. Further, the nomination which was not registered in the usual course due to omission on the part of the Head Office, can also be registered at a later date even after the death of the depositor.

Note 2 :- Use of Automatic numbering stamp for writing numerical numbers of registration on the nomination form/application for National Savings Certificates : (i) If the application for nomination of NSCs is found to be in order, it will be accepted under the dated signature of the Postmaster. It will then be registered in the register of nominations [Form NC-52] and filed in a serially numbered guard file which will be preserved for the prescribed period. The serial number given on the application should correspond to the serial of the registration in the register of nominations. A special

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rubber stamp 'Nomination registered under No..... on (date)' will be affixed on the certificate as well as on the relevant application for purchase under the dated signature of the Postmaster. The acknowledgment portion of the application for the nomination duly completed will be handed over to the holder or his agent or messenger.

(ii) For writing numerical digits against the registration number, automatic numbering stamp should be used on certificate as well as on the relevant application for purchase.

CHANGE OF NAME OF HOLDER OF A CERTIFICATE

36 (1) When the holder of a certificate alters his name in any legal manner or a female holder changes her name on marriage and desires that the ownership of the certificate be registered in the new name, the holder should be required to present the certificate with a written application for such registration signed in both the original and the changed name and accompanied by evidence of the alteration of name at the office of issue of the certificate. He should also be required to record his address on the application.

(2) On receipt of the application, the Head Postmaster (if the office of issue be a H.O.) after verifying the certificate should endorse under his dated signature on the face thereof "Holders name changed to see application No The entry of the name of the purchaser in the application for purchase

should be corrected recording at the same time, the reason for doing so. The application for change of name should be filed with the original application for purchase.

(3) Where the discharge of a certificate is sought by a holder who has not registered the change of his name with the post office, the discharge may be allowed on the holders signing the acquittance in both the old and new names, provided that his signature in the old name tallies with the original signature on the application for purchase.

(4) **In Sub Offices :-** The application should be forwarded to the H.O. with its accompaniments entered on the daily account, with a note by the S.P.M. that the certificate and the signature have been verified. If he is satisfied that the matter is in order, the Head Postmaster will endorse the certificate as already described above and return it to the S.O. entered in the S.O. slip for delivery to the holder. The application, on which he will record his sanction to the registration of the change of name, should also be returned to the S.O. at the same time. The application for change of names should be filed in the S.O. In the same way as in the H.O. and the application for purchase corrected in the same manner.

TRANSFER OF CERTIFICATES FROM ONE POST OFFICE TO ANOTHER

37. (1) When an application for transfer of a certificate in the prescribed Form (NC-32) is received in the office of registration either direct or through the office to which transfer is desired, the Postmaster of the office of registration must satisfy himself that the certificate sought to be transferred actually stands in the applicant's name and that the particulars of the certificate as well as serial Number and the date of the original application for purchase of the certificate have been correctly entered in the application for transfer. If the applicant is illiterate his thumb impression attested by the signature of a witness known to the Post Office must appear on the application. The signature or signatures in case of joint holders on the application for transfer should be compared with that on record. If the signature agrees the intimation of transfer on the reverse of the application for transfer will be signed and stamped with the date stamp and forwarded by registered post to the office to which the certificate is sought to be transferred. If the transfer is to be made to B.O. the application will be forwarded to its Accounts Office. If the signature does not tally it should be got attested as provided for in the case of discharge of a certificate.

Note :- When the investor has submitted the application of transfer (NC32) at the office of registration, the transferring office will send the application of transfer to the transferee office through its Divisional Office after taking necessary action as mentioned above.

(2) The certificate will be returned to the holder who should be directed to present it at the post office to which it is transferred for necessary endorsement thereon. It should be noted that in no circumstances the certificate is to be retained in the post office where transfer application is presented.

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(3) The remark "Transferred to..... (name of office) Post Office on..... (date)" will be written in the column for remarks in the application for purchase against the entry of the certificate.

(4) When an application for transfer of a certificate from one post office to another is presented at the office to which the certificate is sought to be transferred, the Postmaster of the receiving office will scrutinise the application with reference to the original certificate. After satisfying himself that the application has been filled in properly and correctly, he will return the certificate to the holder and forward the transfer application with a covering letter to the office of Registration. In the covering letter it will be specifically stated that the particulars of the certificate as entered on the transfer application have been checked and found correct.

(5) The office to which the certificate has been transferred will number the application for transfer in a separate series maintained for the purpose immediately on receipt. The application for transfer will be treated in the new office in every respect like an application for purchase. An intimation shall be sent to the holder on the address given in the application for transfer (Form NC-32) informing him of the transfer and requesting him to present the certificate at the post office for proper endorsement of transfer etc. thereon. When the certificate is presented a remark "Transferred to the Books of..... office and registered under No....." will be recorded on the certificate under the dated signature of the Postmaster and the certificate stamped with the date stamp of the office.

(6) **Transfer of a certificate in respect of which nomination exists** :-When a holder desires to transfer his certificate from one post office to another, he should mention in the application form whether a nomination has already been made. The Postmaster while sending the application to the new office will also send an extract from the register of nomination keeping a note of the fact of transfer on the original application for nomination and the register of nominations. In the receiving Post Office the same procedure will be followed as in Sub-Rule (3) of Rule 35(3) in registering the nomination and noting the revised registration number in the application for transfer and the certificate, when prescribed by the holder as per Sub-Rule (4). The extract from the register of nominations will take the place of the application for nomination.

(7) In case an application for purchase of certificate in respect of which transfer has been applied for is found to be missing for any reason a fresh ante-dated application for purchase will be obtained. Before allowing the transfer the Postmaster will ascertain from the Postal Accounts Office whether the particulars of the certificate are correct, whether the certificate is attached by a Court of Law and whether it remains undischarged. The identity of the holder and the genuineness of the application for transfer should also be established by independent enquiry.

NOTE : - Transfer of a certificate after it ceases to earn interest from one office to another shall not be allowed.

(8) When after release of the certificate from the pledge, the holder presents an application for transfer of the certificate in the prescribed form (NC-32) at the office of registration either direct or through another office to which the transfer is desired, the Postmaster of the office of registration must satisfy himself that the certificate sought to be transferred actually stands in the applicant's name and the particulars of the certificate as well as the serial number and date of the original application for purchase of the certificate have been correctly entered in the application for transfer. The letter of authority releasing the certificate by the pledge shall also be obtained from the holder to see that the particulars of the certificate have been correctly mentioned therein. The letter of authority should be pasted to the application for purchase. The office of registration will make the following endorsement on the certificate "Retransferred to (Name of the Holder). Other formalities for transfer of certificate from one post office to another as laid down in Rule 37 (1) above should be observed.

When a certificate released from pledge and presented for transfer at an office other than the one where it is registered, the postmaster of the transferee office will scrutinise the particulars written on the application for transfer (NC-32) and those written in the letter of authority releasing the certificate by the pledgee with the original certificate. After satisfying that the application for transfer has been properly and correctly filled in, the Postmaster of the transferee office will return the original certificate and the letter of authority to the holder for presentation after about a week.

The application for transfer will be sent to the office of registration with a covering letter specifying therein that the particulars of the certificate as entered in the application for transfer have been checked and found correct. The particulars of the authority releasing the certificate from pledge will also be intimated. The office of registration will take necessary action as in Sub-Rule (1) above.

On receipt back of the application of transfer from the office of registration, the holder will be requested to present the original certificate and the letter of authority releasing the certificate issued by the pledgee. The transferee office will then make the following endorsement on the certificate "Retransferred to (name of the holder)". The letter of authority will be pasted to the application for transfer (NC-32). The endorsement regarding the transfer of the certificate from one post office to another as required in Sub Rule (5) above will be made. The transferee office should remind telegraphically the office of registration if no reply is received within a week.

The transferee office will send an intimation of the transfer to the Postmaster of the office of registration who will make a remark "Transferred to..... (name of the post office) on....." in the column for remarks in the application for purchase against the entry of the certificate. The particulars of the letter of authority releasing the pledge should also be noted in the remark column of the application for purchase.

TRANSFER OF CERTIFICATE FROM ONE HOLDER TO ANOTHER

38. (1) A certificate may be transferred from one person to another after the expiry of one year from the date of issue of the certificate on the holder making an application in the prescribed form (NC-34) at the office of registration. In the following cases transfer is permissible even before the expiry of one year from the date of issue of the certificate :-

- (i) To a near relative out of natural love and affection.
- (ii) In the name of the heir of a deceased holder on the admission of his claim.
- (iii) From a holder to a court of law or to any other person under the orders of a court of law.
- (iv) Transfer as security under rule 39.
- (v) Transfer in the name of the survivor in the event of the death of one of the joint holders; and
- (vi) Transfer of a certificate purchased under items (iii) and (iv) of the Table below Rule 6 of the P.O. Savings Certificate Rule 1960 from the name of the person or body who purchased the certificate to the name of the person or body on whose behalf it was purchased.

Explanation :- 'Near relative' means a husband, wife, lineal ascendant or descendant, brother or sister.

NOTE 1 :- A Head Postmaster may authorise transfer of a certificate held on behalf of a minor, only if the parent or guardian certifies in writing that the minor is alive and such transfer is in his interest.

NOTE 2 :- A certificate purchased by a minor in his own name can be transferred to another person.

NOTE 3 :- A certificate purchased in joint names can also be transferred to other person(s) vide rule 11(2) of NSCs (VIII-Issue) Rule and relevant rule applicable to KVP Rules. For this purpose only the Head Postmaster will be competent to sanction the transfer.

(2) **IN HEAD OFFICES :** If the transfer is sanctioned by the Head Postmaster, a new certificate ordinarily of the same denomination which will bear the same date of maturity as the original certificate will be issued in the name of the transferee. The serial number denomination and the date of issue of the fresh certificate should be noted under the Head Postmaster's signature on the reverse of the application for transfer. The remark "Transferred to... .. (name of transferee) and certificate No..... ..dated..... issued instead and registered vide No....." will also be noted in the "Remarks" Column of the application for purchase under the dated signature of Postmaster. The fresh certificate will be entered in the issue

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journal and the remark "In lieu of certificate No.....dated.....standing in the name of..... (name of person)" will be made against the entry. The remark "Paid by transfer" will be recorded on the old certificate which will also be impressed with the oblong M.O. Stamp on the face and forwarded to the Postal Accounts Officer. The remark "Issued in lieu of certificate No..... dated..... and registered in P.O. vide No..... will be recorded on the new certificates. The application for transfer should be filed in the HO and treated in every respect like an application for purchase, the serial number assigned to the application for transfer being noted on the fresh certificate. In all cases before the new certificate is actually made over to the transferee, the Postmaster (Head or Sub) will require the transferer to endorse on the reverse of the original certificate "Pay to....." under his dated signature.

NOTE :- The fresh certificate issued to the transferee will be of the same serial as the old certificate.

(3) In case the holder of a certificate who had made a nomination transfers the certificate, the nomination is automatically cancelled and the words "cancelled by transfer" will be noted on the application for nomination, application for purchase and in the register of nominations.

(4) The cases where transfers can be permitted by a Head and Sub Postmaster have been detailed in the relevant rules of each series of certificates as issued from time to time. Where transfer cannot be permitted by the Sub Postmaster the application, after verification of the particulars of the certificate, will be forwarded to the Head Office for further disposal. The certificate returned to the holder for presenting it on receipt of intimation.

(5) On receipt in the H.O. the application for transfer shall be put up to the Head Postmaster for orders. If the transfer is sanctioned, the application will be returned to the S.O. with the sanction of the Postmaster for effecting the transfer in the manner indicated in sub paras 2 and 3 above.

(6) A certificate in the name of a single holder can be exchanged for a certificate of joint type A or B in the joint names of two persons of whom the holder of the single certificate shall be one, but the exchange of a certificate of one series must invariably be confined to a certificate of the same series though the denomination may be different in that series. A certificate of joint type in the names of two persons can be exchanged for a certificate of another joint type in the names of same holders or for a single type in the name of one of the joint holders. When surrendering the original certificate, the holder or holders shall be required to make the following endorsement on the certificate over their signature and date:-

"Pay to....."(when the new certificate is to be issued in the name of single person).

"Pay to both and..... or survivor".(when the new certificate to be issued is of joint 'A' type).

"Pay to either..... or or survivor"(when the new certificates to be issued is of joint 'B' type).

NOTE :- In the case of a joint A and B type of certificates if the survivor holder desires to transfer the certificate from his name to the name of another person, such transfer may be granted.

(7) When the holder of a duplicate certificate or declaration issued by the Postal Accounts Office in lieu of a lost certificate under Rule 43 desires to transfer it to another person a fresh certificate in the name of the transferee shall be issued with the following endorsement.

"Issued in lieu of declaration/duplicate certificates No..... dt..... not encashable without verification from the office of issue".

PLEDGING OF CERTIFICATES AS SECURITY

39. (1) The holder of certificate may at any time on his making an application in Form NC-41 pledge the certificate to (i) the President of India or Governor of a State; (ii) to the Reserve Bank of India or a Scheduled Bank or a Cooperative Society including a Cooperative Bank; (iii) a Corporation or Govt. Company; and (iv) a local authority. The application form NC-41 will be signed by both the pledger and the pledgee and in case the pledgee is a Government Officer, it will be accompanied by a certificate by the

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officer accepting the Savings certificate as security on behalf of the President of India or Governor of a State that he is duly authorised under Article 299 of the Constitution vide Notification No.....dated.....by the Govt. of India, in Ministry of...../State Government of..... to execute such instrument or deeds on behalf of the President of India/Governor of the State. The Assistant will verify the application with reference to the application for purchase and if found to be in order make the endorsement "Transferred as security to....." on the certificate in red ink under the dated signature of the postmaster. A remark to the effect that it is a transfer as security will also be made in the remarks column of the application for purchase.

(2) A certificate purchased on behalf of a minor can be transferred as security only if the purchaser of the certificate certifies that the minor is alive and the transfer is for the benefit of the minor.

NOTE 1 : - Tenders for contracts in any Department of Government will not be treated as contractors. Certificate will not, therefore, be allowed to be pledged in payment of earnest money other than the standing money.

NOTE 2 : - An officer of the Reserve Bank of India or scheduled bank or a co-operative society including Co-operative Bank, a corporation or a Government company or a local authority, as the case may be, accepting the certificates as security under Sub-Rule (i) or releasing the pledge under Sub-Rule(4) on behalf of the respective Institution, shall certify under his dated signature and seal of office that he is duly authorised under the articles of the said institution to accept or release the security or to execute such instrument or deeds on its behalf.

Note 3 : - Transfer of certificates as security to an individual, association, institution, private company, a body registered as a society under any law for the time being in force, a firm registered under the Indian Partnership Act, 1932 (9 of 1932) is not allowed.

(3) The pledgee will be deemed to be the holder of the certificates until such time he releases the certificates from pledge in writing. On receipt of the release authority from the pledgee, the certificate will be re-transferred to the pledger. The Assistant of office of registration will make the following endorsement on the certificate in red ink under the dated signature of the Postmaster.

"Re-transferred to..... .(Name of the holder)"

In cases where certificates are already pledged and transferred before 30.10.1961 in the official designation of a Gazetted Officer and not on behalf of the President or a Governor, no certificate as required in Sub-Rule(1) and (3) above is to be furnished by the pledgee.

(4) Where as a result of several endorsement about pledging and releasing of pledges on a certificate, no space is available for making further endorsements a fresh certificate will be issued by the Postmaster of office of registration in lieu of such certificate. A remark "Issued in lieu of certificate No..... of (Name of Series) will be made on the new certificate and in the Issue Journal. The old certificate will be made on the new certificate and in the Issue Journal. The old certificate will be sent to Postal Accounts Office along with the Issue Journal after making an endorsement thereon "Treated as cancelled Certificate No..... .has been issued in lieu".

(5) Application for transfer of Savings Certificates as security (NC-14) should be allotted the same registration number as is borne by the application for purchase (NC-1)/transfer (NC-34) with suffix 'A', 'B', 'C' and so on for the first, second, third, etc. endorsements of Transfer. These applications as also the letter of authority from the pledgees releasing the certificates from pledge should be pasted to the original application for purchase or transfer.

In cases, where the S.O. has to issue fresh certificate for want of space on a certificate for making endorsement of pledge and there is no certificate in stock, the SPM should call for the same from the HO which will keep a watch over the return of the original one. The remarks "Cancelled. Fresh certificate No..... .dated..... .issued in lieu" will be made on the face of the original certificate.

(6) Pledging or releasing of pledge constitutes a transfer for the purpose of charging fee where so prescribed in the rules governing the series.

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(7) A separate Issue Journal of pledging and releasing of the pledge showing the particulars of the certificate, name of the pledger, etc. when certificate is cancelled, should be furnished to the Postal Accounts Office alongwith other journal of the month.

DISPOSAL OF UNCLAIMED AND UNDELIVERABLE CERTIFICATES

40. When a certificate is unclaimed or remains undelivered at a H.O. or S.O. for any reason and all efforts to deliver the same to the holders have failed, the same will be sent by the H.O. for safe custody to the Postal Accounts Office alongwith the monthly returns. The H.O. or S.O. will make a remark on the original application for purchase/transfer as follows: "Sent to Postal Accounts Office on.....for safe custody". Or sent to H.O. on.....for being sent to Postal Accounts Office for safe custody".

The Postal Accounts Office will acknowledge the receipt of such certificates. The H.O. will paste this acknowledgement to the application for purchase/transfer and if it relates to more than one application it should be pasted on one of the applications after noting the particulars of the acknowledgement on other applications. Where the certificates involved stand registered at SOs, the particulars or the acknowledgement will be intimated to the SOs concerned for making a note in the relevant application(s) for purchase/transfer.

NOTE : - A B.O. will send such certificates to its Accounts Office duly entered in the reverse of the B.O. daily account.

CERTIFICATES SPOILED BEFORE ISSUE

41. If a certificate is spoilt before issue the Postmaster will write the word "spoiled" in red ink on the certificate and affix the oblong M.O. Stamp and send the same to the Postal Accounts Office duly attached to the monthly journal of certificates issued. The serial number of the certificate will be shown in the Stock register as issued with the remarks "Spoilt" under the dated signature of the Postmaster.

In S.Os, spoiled certificates will be forwarded to the H.O. with the daily journal of certificates issued for transmission to the Postal Accounts Office after following the above procedure.

LOSS OR THEFT OF A CERTIFICATE BEFORE ISSUE AND FROM THE CUSTODY OF THE POST OFFICE AFTER ISSUE

42. (1) If a certificate is lost, stolen or destroyed before issue or from the custody of the Post Office after issue but before delivery to the holder or received from the holder and kept in the custody of the post office, the loss, etc. should be reported by the Postmaster to the Divisional Supdt., Head of the Circle and the Postal Accounts Office concerned. The Sub Postmaster will submit the report through the Head Office. The Head of the Circle shall investigate the matter in order to fix the responsibility and notify the loss/theft etc. in his monthly circular and send a report to the Director General, Posts indicating the circumstances under which the certificate were lost. Where the identity slip has also been lost in the Post Office along with the certificate, the particulars of the lost certificate(s) should be circulated promptly by the Head of the Circle to his subordinate units with an endorsement to all other Heads of Circles for further circulation to all Post Office under their central to guard against their encashment from any Post Office with the help of the identity slip.

(2) (i) If the loss theft or destruction of a certificate takes place either before issue or after issue but before delivery to the depositor, the serial number of the certificate(s) will be entered in the Head or Sub Office in the stock register as issued with appropriate remarks.

(ii) The particulars of the lost certificate(s) shall be noted in a separate register of certificates lost either before issue or after issue from the custody of the Post Office to be opened in manuscript in the following form so that the register is consulted at the time of discharge:

REGISTER OF CERTIFICATES LOST FROM THE CUSTODY OF THE POST OFFICE

Sl. No.	Name of post office of issue (SO/HO)	Name of investor (in full)	Date of loss	Particulars of series of certificates	Serial No. of certificate(s) lost
1	2	3	4	5	6
Denomination	Date of issue	Particulars of identity slip issued	Date on which loss reported to the Divisional Supdt./ Head of the Circle	Initials of Postmaster/ Sub Postmaster	Remarks
7	8	9	10	11	12

(3) In addition to above where the certificate (s) issued has been lost or stolen from the custody of that Post Office before delivery to the holder the following procedure will be followed :-

(i) A note of loss, etc. will be made in the 'remarks' column of the "Application for Purchase" of the certificate against the relative entry. A fresh certificate (not a duplicate certificate) will be issued for delivery to the purchaser in the usual manner, and the official responsible for the loss shall execute a Bond in the prescribed form indemnifying the Deptt. against any loss caused by the encashment of the certificate lost. The following remark will also be made in the 'Remarks' column of the journal of certificates issued: "Issued in lieu of certificate No.....lost before delivery". The bond will be executed at the request and cost of the government and no stamp duty will be payable. The bond should be preserved alongwith the confidential records of the official.

(ii) All Head and Sub Post Offices and Divisional Superintendents of Post Offices will maintain a Register containing the details of all such issued certificates lost/stolen before delivery in the proforma given in para (2) (ii) above and keep it corrected upto date. The Divisional Supdts. will ensure during inspection of Post Offices that the Register is kept corrected upto date. Whenever a Branch Office is upgraded into a Sub Office, the Divisional Supdt. should furnish an extract from this Register for the use of the new Sub Office.

(iii) The Register should be maintained by the Postmaster/Supervisor who should check that the certificates presented for encashment, transfer etc., are not those which have been reported as lost or stolen; otherwise action should be taken as laid down in Note below Sub- Rule (2) of Rule 43.

(4) If a consignment of certificates despatched by the Controller of Stamps, Nasik to a Circle Stamp Depot is lost in transit due to theft/accident or any other reason, the intimation of non-receipt of consignment/short supply of certificates should immediately be sent by the Officer-In-Charge of the CSD to the Controller of Stamps, Nasik. The particulars of the lost or short supplied certificates will be available in the invoice received from the ISP, Nasik. If the said authority reconfirms the despatch of the certificates, the case should be treated as one of loss/theft of certificates and be brought to the notice of the Head of the Circle by the Incharge of the CSD for circulation of the loss to other Circles for similar action at their end in

their monthly circulars immediately. A report should also be sent to DG (Posts) by the Head of the Circle indicating the circumstances under which the certificates were lost.

(5) In cases where the certificate(s) already issued to the holder and received from him has been lost from the custody of the Post Office, the following procedure should be followed :-

(i) Action detailed in sub para (1) above will be taken. When the identity slip has also been lost in the Post Office, the particulars of the lost certificate(s) should be circulated promptly by the Head of the Circle to his subordinate unit with an endorsement to all other heads of Circles as provided in sub para (1) above.

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(ii) If any Identity slip had been issued for the certificate(s) lost from the custody of the P.O. it should be taken back from the holder, cancelled and affixed to the original Application for Purchase. In case the identity slip is not produced by the holder though issued, and unless the same is also lost alongwith the certificate while in the custody of Post Office, the usual procedure as laid down in Sub-Rule(2) of Rule 43 should be followed and indemnity bond obtained from the holder.

(iii) Immediate enquiries should be made and responsibility for the loss of the certificate fixed. An Indemnity Bond in the prescribed form (Appendix XXIII) should be obtained from the official or officials at fault from whose custody the certificate was lost. The bond will be executed at the request and cost of the Government and no stamp duty will be payable. This bond should be preserved along with the Confidential Records of the official.

(iv) The "Application for Purchase" should be detached from the Guard File and preserved in the personal custody of the Head Postmaster, a suitable note being kept in its place in the Guard file. In case of loss from a sub office, the application for purchase should be sent to the Head Postmaster for safe custody.

(v) A close watch will be kept on the work and conduct of the official or officials who have been responsible for the loss of the certificate and they should not be given heavy monetary responsibility.

(vi) In all such cases duplicate certificate will be issued without the payment of the prescribed in Sub-Rule (1) of Rule 43.

(vii) In cases where Indemnity Bond cannot be obtained promptly, the duplicate certificate(s) should be issued without insisting upon the execution of an Indemnity Bond by the Postal Official before the issue of the duplicate certificate. The Indemnity Bond will, however, be taken subsequently without fail. The Supdt. of Post Offices will personally ensure that the Indemnity Bond is obtained from the official held responsible but in the case of Head Offices directly under the Head of the Circle, it will be the personal responsibility of the Postmaster to do so.

LOSS THEFT, DESTRUCTION, MUTILATION OR DEFACEMENT OF THE CERTIFICATE IN THE CUSTODY OF THE HOLDER

43. (1) When the holder of a certificate reports the loss, theft, destruction, mutilation or defacement of a certificate in his custody, he will be asked to furnish a statement in writing giving particulars of the certificates explaining the circumstances in which the theft, loss, destruction, mutilation or defacement occurred besides giving the particulars of the certificate such as the number the amount and the date of purchase etc., if available. If the holder had been issued an identity slip, the same should be obtained from him if available. The application for the issue of duplicate certificate may be made either at the office of registration or at any other office. If the application is received at an office other than the office of registration, the Postmaster will forward it to the Postmaster of registration for necessary action. The holder shall pay the prescribed fee for each certificate. This fee will be realised in cash and credited under

unclassified receipts as a general revenue of the Govt. of India. A remark to this effect should be given by the Postmaster in Form NC-29.

NOTE : - In the case of loss, destruction, etc., of a certificate issued in joint names whether of Class 'A' or Class 'B' the statement must be signed by both the joint holders if both of them are alive.

(2) The Postmaster of the office of registration will compare the signature of the holder on the statement with that on the application for purchase and if it is found to agree the holder of the certificate will be called upon to furnish an Indemnity Bond in the prescribed form with one or more approved sureties with a Bank's Guarantee provided that no such surety or Banks guarantee will be necessary where the face value of the certificates does not exceed Rs. 500. In case where mutilated or defaced certificate is surrendered along with the Identity Slip, If any, and the certificate is capable of being identified as the one originally issued, duplicate certificates will be issued without any Indemnity Bond irrespective of the amount involved. A note of the loss, theft or destruction and of the fact that the Indemnity Bond for the issue of the duplicate certificate has been obtained and kept on record in the Post Office will be made on the application for purchase. A guard book shall be maintained for the purpose of keeping the Indemnity bonds which shall be preserved in the personal custody of the Head Postmaster for the period specified in Appendix No. VII. He will also certify that the applicant is known to him or that he has been identified by a person known to the Post Office.

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In SOs the application of the holder and the identity slip, if any, will be forwarded to the H.O. after making a note in the relevant application for purchase of the loss, theft or destruction of the certificate. On receipt of the form of Indemnity Bond from the H.O. the SO will get the bond completed and send it to the HO for issue of duplicate certificate.

NOTE 1 :- The following checks will be exercised by the post office in connection with the execution of the indemnity bond :-

- (i) The bond is drawn up in the prescribed form.
- (ii) The person who furnishes the bond is the person entitled to the proceeds of the certificate for which duplicate is sought for.
- (iii) The bond is duly stamped with non-judicial stamps of the required value according to current Stamp Act, correctly assessed on the basis of the secured value i.e. full matured value of the certificate involved (inclusive of the interest accruable thereon upto the end of the extended period).
- (iv) Particulars of the certificate are correctly noted in the bond and these tally with those contained in Form NC-29.
- (v) Name of the surety has been mentioned in the bond.
- (vi) The surety is adequately solvent or, if a bank's guarantee is furnished, the guarantee is in order. The Postmaster may require production of solvency certificate where he is not personally satisfied. Solvency of a surety if he is an employee of the Central or State Government or of a local body Government aided educational Institution, the Reserve Bank of India a. public sector undertaking or any other body controlled by the Government to the extent of his salary for 12 months excluding allowances, as certified by the employer is acceptable. In other cases, the solvency certificate should be from the revenue authority having jurisdiction over the estate of the surety.
- (vii) Date of execution of the bond is entered therein.
- (viii) Bond has been signed by the holder of the certificate as well as by the surety and each signature has been attested by two witnesses.
- (ix) The bond is accepted by the Gazetted PM/Supdt. of POs.

NOTE 2 :- When a certificate is presented for discharge at the office of registration and it is found that the certificate was reported as lost, stolen or destroyed, payment shall not be made and the case at once reported to the police and the Head of the Circle. Care should be taken to see that the person presenting the certificate for discharge does not run away. If, payment is claimed at any other post office the Postmaster of the office of registration will, on receipt of the application for verification, inform, the Postmaster of the office from which the application was received that the certificate had been reported as lost/stolen/destroyed and ask that office to make an immediate report to the police and the Head of the Circle. This information will be given by letter, if the office at which the certificate was presented is less than a day's post distant otherwise by telegram. In case payment has already been made without previous verification from the office of registration, the Postmaster of the office of registration should on receipt of the advice of payment forthwith report the matter by telegram to the Postmaster of the office of payment and, to the Head of the Circle. When a telegram is issued, the serial number, denomination and the date of issue of the certificate must be given and the prescribed code words used to denote that the certificate had been lost either by the Post Office or from custody of the holder, remarks being added as to the action to be taken. Reports whether by letter or telegram must receive immediate attention at the receiving end.

NOTE 3 :- In cases where the original applications for purchase are also missing from the records of the post office, the Postmaster should before issuing the duplicate certificate, obtain a no-discharge certificate, from the Postal Accounts office that the certificate stands undischarged and no duplicate certificate has been issued. He should also obtain a fresh antedated application for purchase and an indemnity bond (NC-61) containing a recital to the effect that it is being executed at the request and the cost of the Government as also a declaration that the certificate is not attached by a court of law. Identification of the holder will be necessary.

(3) If the holder of a certificate reports the falling of the certificate standing in his name in the hands of an unauthorised person and applies for the issue of a duplicate certificate a registered notice shall be issued by the H.O. to the unauthorised person that a duplicate certificate will be issued unless he produces within a period of one month, an order of a competent court restraining such an issue. If no court order is received within the stipulated time, action may be taken to have a duplicate certificate

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issued in accordance with Sub-Rule (1) and (2) above. An indemnity bond shall be obtained from the holder to the effect that he would keep the Government safe from loss and indemnify and pay to the President of India for any financial losses which the Government might suffer as a result of the issue of the duplicate certificate.

(4) If a holder insists on the loss/theft of a certificate, from his custody, being notified to all Post offices in India, his attention may be drawn to the Provisions of Rule 30 of NSCs (VI Issue/VII Issue) Rules, 1981 or rule 33 of the P.O. Savings Certificates Rules, 1960 or rule 26 of NSCs (VIII Issue) Rules, 1989, as the case may be, according to which the post office bears no responsibility in this regard.

(5) In case where the certificate(s) has/have been lost from the custody of an officer of the Central Government accepting the same as a pledgee no indemnity Bond will be got executed from that officer and no fee for Issue of duplicate certificate(s) will be charged. In case of lose of certificate(s) from the custody of an officer of the State Government working as a pledgee, Indemnity Bond will be got executed without any approved sureties. Stamp duty can also be exempted with prior approval of the State Government. In cases of loss of certificate(s) from the custody of Panchayata, execution of Indemnity Bond is necessary.

(6) (i) In case where a certificate held by a District Savings Officer/ Regional Director of National Savings Organisation in his official capacity is lost from his custody, he will furnish its details along with the identity slip, if any, to the post office where the certificate stands registered. The District Savings Officer/Deputy Regional Director National Savings will simultaneously execute an Indemnity Bond

in the prescribed form (Annexure 8) and send it to the National savings Commissioner who will send an intimation of this to the post office concerned. The Officer concerned should thereafter apply to the post office of issue of the original certificate for issue of a duplicate certificate. It will then be issued by the post office without payment of the fee prescribed under the relevant rule of each series.

(ii) In cases where a certificate before its delivery to the investor is lost from the custody of an authorised agent he will report the loss promptly to his appointing authority, local police, Post Office where the certificate stands registered and the Head of the Postal Circle. He will execute an indemnity bond in the prescribed form and send it to his appointing authority who will send an intimation of this to the P.O. concerned. On receipt of this intimation further action will be taken to issue the duplicate certificate. The authorised agent shall pay the stamp duty on the indemnity bond and postal fee for the issue of duplicate certificate.

ISSUE OF DUPLICATE CERTIFICATE

44. (1) The Head Postmaster should make necessary enquiries in connection with the issue of duplicate certificate(s) and satisfy himself by a reference to the original application for purchase/transfer that the certificate(s) still stands undischarged.

(2) As soon as the necessary enquiries are complete, an indemnity bond obtained and no discharge certificate received where necessary, the Postmaster will issue a duplicate certificate(s) overprinted with the words "Duplicate issued in lieu of". The original certificate No. and date of issue should be noted on the top of the duplicate certificate.

Note 1 : - As per provision at the end of forms of Indemnity Bonds (NC-54(a)/54(b)/NC-61], the bonds are to be accepted by the Gazetted Postmaster/Superintendent of post offices on behalf of the President of India. Non-Gazetted Postmasters are not competent to accept these bonds. For this purpose they will send the file containing the bond duly executed to the Superintendent of the Post Offices for acceptance.

Note 2 :- When the stock of certificates over printed "Duplicate" is exhausted in the Post Office, instructions contained in D.G.P. & T. letter No.25-68/67-F(SS) dated 30.9.1969 (copy given below) may be followed until over printed certificates are received from the Controller of Stamps, Nasik. This procedure is applicable to National Development Bonds also.

(3) After the duplicate certificate(s) is/are issued, the Head Office will prepare separate issue journals for the duplicate certificate(s) issued by it. Such Issue Journals should indicate, inter alia, the serial number(s) of the original certificate(s) with a prefixed alphabets and should contain the following certificate over the signature of the Head Postmaster :-

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Certified that :-

(i) Necessary remark regarding the loss/destruction of the certificate(s) and issue of duplicate certificate(s) in lieu thereof has been made in the remarks column of the Application for purchase/Transfer of the certificate(s) .

(ii) The Indemnity Bond has been obtained from the holder and

(iii) The fee of..... for the issue of the duplicate certificate(s) has been received and credited under unclassified receipts on.....

(4) Where the holder of a certificate applies for issue of duplicate certificate at an office other than the office of registration, indemnity bond should be obtained from him and forwarded along with the application to the office of registration. The office of registration will take the same action, as it would, on an application presented at the office. The duplicate certificate will be sent by the office of registration to the concerned post office for delivery to the holder. That office will forward the receipt for the certificate, obtained from the holder, by registered post to the office of registration which will paste the receipt to the application for purchase.

(5) Cases arising at S.Os. for the issue of duplicate certificate(s) will be referred to the H.O. by the S.O. for further action as indicated above. Form NC-29 will be filled in for each case of issue of duplicate certificate(s) and filed with the case.

(6) Where a holder applies for issue of duplicate certificates purchased at different post offices, he will execute only one indemnity bond covering the maturity value of all the certificates. He may apply for issue of duplicate certificates at a post office where at least one of the certificates issued to him stands registered and the Postmaster in charge of the office where the holder desires to get the duplicate certificates, will get the old certificates- transferred to the books of this office before issuing the duplicate certificates in lieu thereof. The holder will be asked to fill in the necessary application for Transfer. The only departure from the normal procedure for transfer of certificates laid down in the above mentioned rule will be that it will not be necessary for the holder to produce the original certificates for examination. In order to cover the risk, the holder should be duly identified by a person known to the post office before his application for transfer is entertained.

(7) A receipt, in token of the delivery of the duplicate certificate will be obtained from the holder in the application for purchase. If the duplicate certificate is delivered to the Agent of the holder on a written authority of the latter, such receipt will be obtained on the letter of authority which shall be pasted to the application for purchase.

(8) A duplicate certificate will be treated as equivalent to the original certificate for all purposes except that it is encashable at an office other than the office of registration only after prior verification by the office of registration. No identity slip shall be issued in respect of a duplicate certificate. If a declaration has been issued by the Director/Deputy Director of Postal Accounts concerned in lieu of a certificate issued before partition from a post office now in Pakistan and transferred to a post office in India, the payment will be made only on the execution of an indemnity bond referred to in the Sub-Rule (2) above.

(9) If the original certificate lost, stolen or destroyed is subsequently traced by the holder and made over to the post office it should be cancelled and a note 'duplicate issued' made in the application for purchase. The cancelled certificate should be sent to the Postal Accounts Office.

(10) Indents for the stock of certificates of each denomination and series over-printed with the word "Duplicate" should be sent by H.Os. to their Stock/Stores Depots, who in turn should obtain them from the Controller of Stamps, Nasik Road. The Certificates when received should be kept by the Postmaster under lock and key in his custody and a separate stock register maintained for the accounting of such certificates.

(11) A register of Duplicate Certificate issued in the prescribed proforma [Appendix II] be maintained in the H.Os. and the particulars of the duplicate certificates issued should be noted in it. The mutilated or defaced certificates for which duplicate certificates have been issued should be produced

before the Inspecting Officer at the time of annual inspection along with the register of duplicate certificates issued. The Inspecting Officer after verifying the particulars noted in the register, will arrange to destroy the

mutilated or defaced certificates, in his presence and not down the date of destruction in the relevant column of the register and also place his initials in the register in token of having carried out this check.

The officer-in-charge in the context of issue of duplicate certificate shall be construed to be the Head Postmaster who alone shall be competent as hitherto, to issue duplicate certificates pertaining to the Post Offices including Head Office falling under its jurisdiction.

Note 1 :- The duplicate certificates should be issued within 15 days, if the application from the investor is received at the office of registration. The time limit would be 30 days if the investor intends to obtain it from another post office.

Note 2 :- The post office should not make lodging an FIR with the Police for the loss/theft a pre-condition for issue of a duplicate certificate even though Form NC-29 seeks information relating to date of furnishing report of the certificates to the Police Station/Post Office of Registration.

ATTACHMENT OF A CERTIFICATE BY A COURT OF LAW

45. (1) (a) In Head Offices :- The attachment by order of a Court of a certificate standing in the name of an investor must be at once noted, but until an express order is received requiring him to pay the value of the certificate attached into the court or to any other person, the Postmaster will confine his action to (a) pasting the order of the Court to the relative application for purchase (b) recording the remark "Discharge prohibited owing to attachment by Court vide letter No..... dated..... from.....", against the entries relating to the certificate in the remarks column of the application for purchase and (c) refusing to encash the certificate if presented by the holder or any other person. The Postal Accounts Office concerned may also be informed immediately regarding the attachment of the certificate. The Postal Accounts Office will then also make a suitable note in its Stock and Issue Register.

(b) If the order of attachment relates to a certificate pledged as security the head postmaster should at once inform the Court or the authority that the value of the certificate is held by the Post Office on behalf not of the judgement debtor (holder), but of the person to whom it is pledged as security and should request the Court or the authority before issuing an order for payment to allow him (Head Postmaster) and the pledgee an opportunity of showing cause why the amount of the certificate should not be paid. The Head Postmaster, at the same time, should report the case to the Head of the Circle.

(2) So long as the payment of the certificate attached is not ordered by the Court, the Head Postmaster has the opportunity of representing to the Court any objection there may be to such payment. If the order of attachment relates to a certificate standing in the name of a deceased holder, the Head Postmaster must at once inform the Court that the holder is dead and request the court to allow him (the Head Postmaster) and the heirs an opportunity of showing cause why the attachment order should be vacated by the Court. The Head Postmaster must at the same time make enquiries enjoined in Rule 50 in case this has not already been done, and report the case to the Head of the 'Circle for orders. To enable the Head Postmaster to carry out the above instruction regarding the certificate of deceased holder he must on receipt of an order of attachment at once take steps to ascertain whether the holder is alive or not.

(3) If the Court orders payment of the certificate attached, payment should be made to the Court and the courts receipt obtained for the payment. It is not necessary to insist that the court should produce the original certificate duly discharged on the reverse. In the case of a certificate for which identity slip was issued, the court should be informed before making payment that the certificate can be encashed by the holder at any other post office with the help of the identity slip and the Department will have to honour such

payment. If the court still insists, the payment may be made to the court under receipt. In such cases, the particulars of certificates should be immediately notified to the Head of the Circle who will circulate the fact of encashment to all the post offices in his jurisdiction with an endorsement to all other Heads of Circles for further circulation to all Post Offices under their control.

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(4) If the order of attachment relates to a certificate issued by a S.O. instructions in the matter must be issued at once to the S.P.M. concerned.

(5) In S.O. if a certificate standing in the name of an investor is attached by order of a Court, the S.P.M. will receive the instructions of the H.O. as to the procedure to be followed in respect of the discharge of the certificate. If the order of attachment is issued by a Court direct to the S.P.M. he will send the order to the H.O. and ask for instructions. To prevent discharge of the certificate, the S.P.M. will also write in red ink in the column for 'Remarks' of the application for purchase the words "Attached by Court, discharge prohibited" against the entry of the certificate attached.

CONFISCATION BY CUSTOMS OR EXCISE AUTHORITIES

46. When Certificates are confiscated under Sea Customs Act and the Foreign Exchange Regulations Act, an intimation will be sent by the Customs Authority to the Office of issue of the certificate informing it of the seizure so that the holder(s) may not obtain duplicate certificates. The proforma in which this intimation will be sent and which has to be acknowledged by the Post Office is given in Appendix III.

As soon as any such intimation is received a suitable remark in red ink should be passed on the application for purchase/transfer and the fact intimated to the Postal Accounts Office. Orders of the Customs/Excise Authorities for the payment of the proceeds of the certificates to them should be complied with, as per Rule 45 above.

PAYMENT OF PROCEEDS OF SAVINGS CERTIFICATES HELD BY HOLDER(S) TO AN AUTHORITY EMPOWERED UNDER THE LAW TO DEMAND SUCH PAYMENT

47. (1) **If an** order is received by the postmaster for payment of the proceeds of a Savings Certificate to an authority vested with the power under any law for the time being in force to demand such payment, the paying Postmaster shall make the payment under receipt to such authority in case the original certificate is not presented. If the original certificate is presented, receipt be obtained as usual on the certificate. The notice/order received from the authority shall be attached with the original certificate/receipt. In respect of a certificate issued with Identity Slip, the procedure laid down in Rule 45 will apply mutatis mutandis.

(2) If the certificate in respect of which the notice/order has been received for payment stands already attached by a court of law, the position may be explained to the concerned authority.

CLERICAL OR ARITHMETICAL MISTAKES IN THE ISSUE OF CERTIFICATES

48. Any clerical or arithmetical mistake with respect to a certificate can either suo moto or upon an application by any person interested in that certificate be rectified by the Head of Postal Circles and Divisions in the manner indicated in the following tables provided no financial loss is caused to Government or to any such person by such ratification.

TABLE 'A'

Irregularities to be regularised by the Postmaster General

Sl. No.	Nature of irregularity	Procedure to be followed after the irregularity is regularised by the Competent authority
1.	Irregular issue of a certificate in the names	Fresh certificate may be issued to the proper person

	of a minor and on adult or two minors jointly or in the names of two adults on behalf of a minor or in the name of an adult purchasing a certificate on behalf of a minor or a single type certificate issued instead of a joint 'A' or 'B' type or a certificate of joint 'A' type issued instead of 'B' type or the vice versa.	treating the original person certificate as 'spoiled'. The procedure laid down in Rule 41 will be followed. Fresh application may be obtained from the party concerned and kept along with the original application if it was in correctly filled up in the first instance.
2.	Irregular issue of a certificate in the name of others instead of in the name of individuals in contravention of Rules.	No further action is to be taken except that a copy of the sanction regularising the irregularity may be kept with the purchase application.
3.	Wrong filling up of the name in the application for purchase by the investor in cases where certificate stands undischarged.	Fresh application for purchase may be obtained from the investor and pasted to the original application.

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4.	Irregular issue of a certificate due to wrong filling up to the name of the investor in the application for purchase.	Fresh certificate may be issued in the name of proper person treating the old certificate as 'spoiled'. The procedure laid down in respect of item (1) of table 'B' below will be followed. Fresh application for purchase may also be obtained from the party and pasted to the original application.

TABLE 'B'

Irregularities to be regularised by the Heads of Postal Divisions

Sl. No.	Nature of irregularity	Procedure to be followed after the irregularity is regularised by the Competent authority
1.	Certificate made out in the personal name or official designation of office bearer of an Institution, Association Company, Registered Firm, Body, Society or Co-operative Bank itself in the contravention of Rule of Rule 4(2)(a) (iii) (v), (vi), (vii) of Post Office Savings Certificates Rules, 1960. Rule 6(2) (a) of Kisan Vikas Patra Rules 1988 and Rule 4(2) of National Savings Certificate (VIII issue) Rules, 1989.	In these cases the original certificate may be treated as 'spoiled' and fresh certificate in the name of instruction, Association, Company-Registered Firm, Body or Society issued with the original date of issue. The Postmaster will write the word 'spoiled' on the face of original certificate and send it to the Postal Accounts attached to the Journals of certificates issued. The procedure laid down in Rule 41 will be followed. In the remarks column of the journal of the certificates issued the number of original certificate treated as 'spoiled' should also be noted in red ink. Necessary corrections should also be made on the purchase application. If the purchase application was also incorrectly filled in, fresh application for purchase may be obtained from him and kept along with the original application.
2.	Certificates issued in the name of a teacher or an employee or an	Fresh certificate may be issued in the name of authority controlling the Provident Fund treating the original

	individual member of the Provident Fund instead of in the name of the authority controlling provident fund in contravention of item (iv) of column I of Table under Rule 6 of Post Office Savings Certificates Rules, 1960.	certificate as 'spoiled', procedure laid down in item(1) above be followed.
3.	Certificates issued in the official designation of an office bearer controlling funds of a local authority instead of in the name of the local authority itself in contravention of Rule 4(2)(a) (viii) of Post Office Savings Certificates Rules, 1960 and 6(2)(a)(vii) of Kisan Vikas Patra Rules 1988 are Rule 4(2) of National Saving Certificate (VIII issue) Rules, 1989.	Fresh certificates may be issued in the name of the local authority treating the original certificate as 'spoiled', Procedure laid down in item (1) above will be followed.
4.	Irregular issue of a certificate in the name of an individual or Fund through an officer in his official capacity instead of in the official designation of the officer on behalf of another individual or Fund in contravention of the Rules.	Fresh certificate may be issued in the official designation of officer on behalf of the another individual or Fund treating original certificate as 'spoiled'. Procedure laid down in item (1) above will be followed.

5.	Irregular issue of a NSC in the name of a person other than the holder, application for purchase having been signed by the Agent or person other than the holder.	Fresh certificate may be issued in the name of proper holder treating the old certificate as 'spoiled'. Procedure laid down in item (1) above will be followed. Written consent may also be obtained from the person who signed the application for purchase and from his heirs if the former is dead.
6.	Irregular making of a certificate where the application for purchase has been correctly filled in.	Fresh certificate may be issued treating the old certificate as 'spoiled'. Procedure laid down in item (1) above will be followed.
7.	Issue of a certificate in the name of the pledgee instead of the pledger in contravention of Rule 19 of the Rules.	Fresh certificate may be issued in the name of the pledger and the endorsement 'transferred as security to.....' as required under the Rules may be given on the certificate by the Postmaster. The old certificate may be treated as 'spoiled' adopting the procedure laid down in respect of item (1) above.
8.	Irregular issue of a certificate to non-Gazetted Govt. Officer or an unauthorised Officer of a Government Company or a Corporation or of a local authority or of the Reserve Bank of India on behalf of another person or Body or fund in violation of item (iii) of column 1 below Rule 6 of Post Office Savings Certificates Rules, 1960.	A fresh application for purchase may be obtained from the Gazetted Government Officer or authorised officer of a Government Company or of a Corporation of a local authority or the Reserve Bank of India and pasted to the original application for purchase. Fresh certificate may be issued in the official designation of the Gazetted Government officer or authorised officer treating the old certificates as 'spoiled', adopting the procedure laid down in item (1) above.
9	Issue of a Certificate without the date-stamp or signature of the Postmaster of the Office of issue.	The date stamp will be affixed by the Postmaster incharge of the office of issue and the date will be altered by him in manuscript under proper attestation. The certificate if not already signed will also be signed by the Postmaster with fresh date.

All other cases of irregularities including those referred to as in Table 'A' and 'B' above in respect of all certificates issued in Pakistan and finally transferred to India including the certificates the liability of which falls on the Government of Pakistan and certificates which are discharged without prior verification from Pakistan will be referred to the D.G. Posts for orders.

NOTE 1:- The irregularities as per Table 'A' and 'B' above can also be rectified by the competent authorities even though the irregularities come to notice after the discharge of the certificate.

NOTE 2:- A question has been raised as to which circle will regularise the irregular issue of certificates after they are transferred from the jurisdiction of one circle to another and the irregularity comes to light after transfer in the transferee office.

In case of transfer of certificates from one Post Office to another, the application for transfer is treated in the new office in every respect like an application for purchase. Responsibility for regularisation of any kind of irregularity which could not be detected before effecting its transfer to the new Post Office in another circle devolves on the transferee office. In view of this the Divisional Supdt or the Postmaster General of the transferee office will regularise the irregularity. If considered necessary, an attested copy of the original application for purchase may be obtained from the transferring Post Office by the transferee Post Office.

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ENCASHMENT OF CERTIFICATES HELD BY ARMY AND AIR FORCE PERSONNEL

49. If the holder of a certificate who is subject to the Army Act of 1950 or the Air Force Act of 1950 or the Navy Act of 1957 dies or deserts his post, the Commanding Officer of the Corps department or detachment or unit or ship to which the deceased or deserter belonged or the Committee of Adjustment as the case may be can encash the certificate standing in the name of deceased or deserter by applying to the office of Registration and signing on the reverse of the certificate in token of having received the payment. The Post Office will accept the signature of the Commanding Officer or the Committee of Adjustment as valid signature of the holder and encash the certificate.

PAYMENT OF THE VALUE OF CERTIFICATE IN THE NAME OF DECEASED HOLDERS

50. (1) A claim to the value of a certificate standing in the name of a deceased holder may be made on the basis of :-

- (a) Nomination
- (b) Legal evidence
- (c) Without production of legal evidence.

If the claim exceeds Rs. 100,000, the claimant should be advised to obtain a Succession Certificate from a competent Court of Law or produce the probate of the will or letters of Administration of the estates of the deceased.

(2) (i) Certificate in respect of which nomination exists:-

In case the deceased holder of the certificate has made a nomination and registered the same with the Post Office, the claimant should be advised that the nominee/nominees of the deceased holder may either : -

- (a) take immediate payment of the value of the certificate; or
- (b) allow the certificate to continue in the name of the deceased holder; or
- (c) If there is only one nominee, have fresh certificate issued in his own name; or
- (d) If there are two or more nominees sub-divide the certificate and have fresh certificates issued in their individual names in appropriate denomination; or
- (e) where there are two adult nominees, have fresh certificate of Joint 'A' or Joint 'B' type issued in their joint names. ""

(ii) Where the sum due on a Savings Certificate is payable to two or more nominees and either or any of them dies, the sum shall be paid to the surviving nominees. On the death of the last surviving

nominee or the sole nominee, the claim in respect of the certificate will be settled in favour of the legal heir of the deceased nominee and not in favour of the heir of the deceased holder.

(iii) The nominee should be requested to make an application in the prescribed form (**Appendix IV**) (printed or in manuscript) to the Postmaster of the office where at least one of the certificates stands registered, along with the proof of death of the deceased holder and that of any other nominee, who may have also died intimating at the same time his choice at sub-para 2(ii) above.

(iv) On receipt of the application at the Post Office, the Postmaster shall verify the claim with the current nomination register maintained by him and the Postmaster of the office where other certificate if any stands registered and if the same is in order shall issue a sanction even before the expiry of three months for payment of the value to the nominee(s) after keeping a suitable note in the Register of nomination as well as on the application for nomination and application for purchase. If any of the certificates stands registered at another office, a copy, of the sanction shall be endorsed to that office. In case of more than one nominee, all the nominees shall have to give a joint discharge. Certificate of near relatives or consent or dissent statements are not necessary. No enquiries are necessary except with regard to the death of the holder. It will be the responsibility of the paying Postmaster to see that the nominee is properly identified.

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(v) In case, the nominee(s) their(s) has lost the original certificate(s) or is otherwise not in possession of it, he may apply for issue of certificate(s) in his own name after his claim has been admitted and sanction issued by the competent authority. The procedure as laid down in Rules 43 and 44 will apply mutatis mutandis.

Note 1:- The Sub Postmasters whether Time-Scale or Selection Grade are competent to issue sanction in such cases irrespective of the amount involved.

Note 2:- The Extra Departmental Sub Postmaster should in all cases submit the application alongwith the death certificate to the Superintendent of Post Offices certifying that the certificate stands registered in his office. The Branch Postmasters who are authorized to do Savings Certificates work independently will also follow the same procedure and send the documents to the Accounts Office. The Head Office will take necessary steps to settle the claim and issue the sanction order.

Note 3 :- Payment in the cases of deceased depositors of Savings Accounts/Savings Certificates on the basis of Nomination Or Succession Certificate, etc :- The post office is required to give precedence to the nominee over all other persons staking claims on the amount when settling deceased claims cases and such payment to the nominee absolves the post office from all future liability in respect of the deposit.

Claims supported by Legal Evidence

(3) (i) When the claim is received supported by legal evidence such as succession certificate issued under the Indian Succession Act, 1925 or a probate of will or letters of administration of the deceased Estate, the claimant will be requested to fill in the claim application in the form at **Appendix V**.

(ii) The claim up to Rs. 500/- will be sanctioned by the Department Time Scale Sub Postmaster in whose office the certificates stand registered. In the case of LSG and HSG Sub Offices, the Sub Postmaster and in the case of Head Offices, the Head Postmaster can sanction the claim in respect of Savings Certificates of deceased holders without any limit of the amount when legal evidence of heirship is produced

by the claimant. All claims in the case of Extra-Departmental Sub Offices and claims for amount exceeding Rs.500/- in the case of Time Scale Sub Offices, though supported by the legal evidence of heirship, will be forwarded to the Superintendent of Post Offices for issue of necessary sanction. The branch postmasters will send the claim to the account office for further necessary action.

(iii) Claims supported by legal evidence can be sanctioned even before the expiry of three months from the date of death of holder. There will be no necessity of making further enquiries either as to the fact of death or the date of death of the holder (if it is noted in documents) The Postmaster/Sub Postmaster will, however, before making payment satisfy himself about the genuineness of the legal evidence produced and identity of the payee named therein. The Postal Accounts Office will be informed of the claim having been admitted by endorsing to it a copy of the Memo sanctioning the payment.

NOTE :- In case the claimant is unable to produce the original legal evidence in support of his claim, he may, at his own cost, produce certified copies of the documents from the Public Officer having the custody of such documents. If there is any difficulty in producing certified copies, he may produce attested copies of such documents along with the originals for comparison by the sanctioning authority who should pass a remark on the attested copy of such documents that he has examined the original and found the copy to be correct. The claimant may also produce these documents to any other responsible postal officer for the purpose of attestation under his signature and seal.

(4) (i) **Without production of legal evidence:** -If a person who is not a nominee and has not produced legal evidence mentioned in item (ii) above prefers a claim he will be requested by the Postmaster to fill in the form of claim application (SB-84) and have other formalities completed in accordance with the instructions printed therein. If the claimant calls personally he may be given the necessary guidance. If the claimant resides in a village he may be asked to seek necessary guidance from the nearest S.P.M. to whom a copy of the letter forwarding the application form may be endorsed.

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Note 1:- The form (SB-84) must be filled in by the person who is entitled under the law (vide sections 8 and 15 of the Hindu Succession Act, 1956, in case of persons governed by that Act, Mohammedan Law in case of a Muslim and Indian Succession Act, 1925 in case of Christians and others). If the person entitled under the Law is a minor, the claim form should be filled in by the guardian appointed by the court of law. Where there is no such guardian, by the natural guardian of the minor.

Note 2:- The claimant will be requested to submit the following documents alongwith the claim application.

(a) The savings certificate or receipt of the certificate.

(b) Death certificate of the deceased.

(c) Statements of consent from the near relatives left behind by the deceased holder. If any of the near relative is minor, a consent statement from his natural/legal guardian as the case may be.

(d) A guardianship certificate on behalf of the minor relatives of the deceased depositor (if the claimant is not a guardian under the law applicable to him).

(ii) If the claim does not exceed Rs. 1,00,000, the claimant should be asked to submit an application duly completed to the authorities mentioned below who are competent to sanction claims without production of legal evidence up to the limit noted against each after the expiry of three months from the date of death of

the holder if no succession certificate or probate of will or letters of administration is produced during that period or up to the date of sanction.

TABLE

Sl. No.	Name of Authority	Limit in (Rs.)
(i)	Time Scale Departmental Sub-Postmasters	1,000
(ii)	Sub Postmasters in Lower Selection Grade	2,000
(iii)	Sub-Postmasters/Deputy Postmasters/Postmasters in Higher Selection Grade (all Non Gazetted)	5,000
(iv)	Deputy Postmasters/Senior Postmasters/Deputy chief Postmasters/Superintendent of Post Offices/Deputy Superintendent of Post Offices (All Gazetted Group-B)	20,000
(v)	Chief Postmasters in Head Offices, Senior Superintendents of Post Offices (All Gazetted Group-A)	50,000
(vi)	Regional Directors/Director (General Post Offices) [in Mumbai and Kolkata]	75,000
(vii)	Chief Postmasters General/Postmasters General (Headquarter and Region)	1,00,000

NOTE 1:- Cases presenting special features, such as lacuna in rules, etc. shall not be disposed of as a matter of course and all such should be referred to the Postal Directorate for orders.

NOTE 2:- The power for sanctioning claims beyond Rs. 10000/- will be exercised personally by the heirs mentioned against items (iv) to (vii) of the Table

NOTE 3:- If after the settlement of the claim it is found that the holder has more certificates which were not mentioned in the claim application and their balance if added to the earlier certificates mentioned in the claim application form exceeds Rs. 1,00,000/- the claimant will be required to produce legal evidence of heirship before the claim is settled.

NOTE 4:- The Gazetted Postmaster will not sanction the deceased claim cases of the sub offices under his jurisdiction which are beyond the powers of the S.P. Ms. The Divisional Superintendent concerned will sanction the deceased claim cases of sub offices functioning under his jurisdiction which are beyond the powers of the Sub-Postmasters.

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(iii) In case the certificates stand registered at different offices the claim may be preferred to anyone of the Head Postmasters under whose jurisdiction, at least one of the certificates stands registered. The sanction shall, however, be issued by the competent authority only after verification of the certificate from the offices of registration concerned. A copy of the sanction mentioning therein the name of the office of registration of each certificate and the registration number of the application shall be endorsed to the concerned offices.

(iv) Savings Certificates are settled under the provisions of the different Acts namely, Government Savings Bank Act, 1873 and the Government Savings Certificates Act, 1959 and statutory rules made thereunder. The limits upto which competent authority can sanction claim as well as the limit of Rs 1,00,000 for insisting on legal evidence are to be applied to settlement of Savings Bank Savings Certificates claim separately, i.e. independently of each other.

NOTE: -For the purpose of determining the sanctioning authority the limits should be the matured value of the certificate i.e. the face value plus the amount of interest accrued upto the last completed year or half year, as the case may be, prior to the death of the deceased holder.

(v) To prevent delay in the settlement of an admitted claims the verification be taken up / simultaneously with the enquiry into the claim so that it is completed before the issue of sanction.

(vi) The competent authority will sanction the claim without reference to the higher authority unless the claim is of a doubtful or contested nature, or has been made on behalf of a married female minor or on behalf of a minor by a person other than the natural guardian, or a guardian appointed by a Court or law. The competent authority must in such cases make the necessary inquiries and record the result in the prescribed form before forwarding it to the higher authority. The sanctioning authorities will scrutinise the claim application to see that :-

- (a) The particulars of the savings certificates are correctly filled in, wherever they occur and have been verified by the Postmaster;
- (b) The particulars of near-relatives have been filled in correctly;
- (c) A death certificate from the appropriate authority accompanies the application form;
- (d) A statement about consent/dissent from the near relative accompanies and it is in order. If any of the near relatives is a minor or a lunatic, statement from the natural/legal guardian and Manager appointed by a Court under the Lunacy Act, as the case may be, accompanies;
- (e) Attestation of various statements, declarations and documents has been done by the right persons and is in order; and
- (f) A certificate about the release of pledge from the Pledgee accompanies if certificates are pledged. If the pledgee claims the amount in full or in part, payment will be made to him to the extent of his claim. Action for the settlement of the claim will arise if the pledge is released in full or in part.

(vii) If after scrutiny of the claim application, any defect of consequence is noticed, the competent authority will address the claimant direct to complete the documents giving him the necessary guidance. If the application and the documents are attested by the authorities mentioned in the claim application it is not necessary to send them further for verification to the Inspector of Post Offices or Mail Overseer. Even the Branch Postmaster or Sub Postmaster can verify the signature of the attestor.

(5) (i) The competent authority shall see if the claim is in order and satisfy himself generally from the evidence placed before him whether the claimant appears to him to be entitled to receive the money. Unnecessary references of an insignificant nature should be avoided. For example, if in the near relatives, certificates, claimant happens to mention those who have apparently no claim to succession it is not necessary to insist on production of their consent statements.

(ii) (a) section 7(4) of Government Savings Certificates Act, 1959 vests the various sanctioning ties with full discretion to pay to whosoever appears to them to be entitled to receive the sum due to a deceased holder and gives the department immunity from a bonafide wrong payment.

(iii) **Taking of claimant's declaration on oaths or solemn affirmation:-** Section 10 of the aforesaid Act gives the power to the sanctioning authorities to take the claimant's declaration on oath or affirmation according to law and any person making a false statement is liable to be charged for perjury

under Section 193 of Indian Penal Code. In view of this the declaration by the claimant as provided in the claim application form before a competent sanctioning authority will be a statement within the meaning of the said section. If such a declaration is made, enquiries and verification of consent statement etc. will not be necessary unless the sanctioning authority has any doubt about the veracity or authenticity of the declaration.

(iv) All sanctioning authorities including Time Scale S.P.M. are competent to administer oath and take the declaration of the claimant as indicated in (iii) above, irrespective of whether the said authority is competent to settle the claim or not. The following procedure will be followed in such cases:

A claimant can give an oath before any Time Scale LSG, HSG or Gazetted Postmaster irrespective of whether such a Postmaster is the authority competent to sanction the claim. While administering the oath, the Postmaster should have the claimant properly identified. He may inform the claimants of the implication of the oath. He should also take consent/dissent letters if any presented by the claimant. All the documents should then be forwarded to the authority competent to sanction the claim through the H.O. where the account stands or the office where certificates stand registered. A note regarding the receipt of the claim will be made on the application concerned and the claim forwarded to the authority competent to sanction the claim after verification.

No notice to the near relatives mentioned in the claim application will be necessary in these cases nor any further verification is required.

(v) The various forms, certificates and consent statements are prescribed merely for the guidance of the sanctioning authority in arriving at a decision. Even if the claim is contested, the amount can still be paid to the person who appears to the sanctioning authority to be entitled to receive the same. As a precautionary measure, a notice by "Registered Post. A.D." may be given to the contestant to produce within a period of two months either a succession certificate or an injunction order from a competent Court of Law failing which the payment shall be made to the other party.

(vi) Elaborate enquiries should be avoided, if the claimant produces written statements from two reliable and interested persons to prove the validity of his claim. The persons must be known to a postal official not below the rank of a BPM and the official concerned must invariably attest the statement and certify that the persons making the statements are known to him.

Sanction of claim

(vii) In all cases, the decision with reasons for it, will be recorded on the file relating to the case and an order will be issued by the competent authority in the prescribed form (**Appendix VI**), copy being sent to the Postal Accounts Office, accompanied by the certificates of the deceased holder on their discharge or surrender for fresh certificate.

(viii) In every sanction issued for payment of the amount of a Post Office Certificate held by a deceased holder without obtaining legal evidence of heirship the following certificate should be endorsed by the sanctioning authority: -

"The current value of post office certificate(s) held by the deceased holder does not exceed Rs. 1000, 2000, 5000, 10,000, 20,000/50,000/75,000/100,000 as the case may be, as per the claimant's statement in the claim application".

N.B.: -- Strike out the limits not applicable.

(6) **Payment to minor claimant:** -Where the claimant is a minor nominated by the holder, payment of the sum due may be made to the person appointed in the nomination to receive it. In case there is no such person or the minor claimant is not a nominee, payment of the sum due may be made to :-

(a) the guardian appointed by a court of law;

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(b) Where there is no such guardian, to the natural guardian of the minor. The person receiving payment on behalf of the minor shall furnish a certificate that the minor is alive and the money is required on behalf of the minor,

(7) Payment of claim:- (i) While admitting the title the applicant will be, informed that it is not incumbent on him to receive payment of the amount due before maturity of the certificate and that it may be got transferred to his name in accordance with the procedure laid down in Rule 38 even if the holding shall exceed the prescribed limit as a result of this transfer, Further purchase of transfer of any other certificate in his name shall not, however, be made.

(ii) The claimant will present the sanction in original alongwith the certificates discharged and signed on the reverse. The Postmaster will record a remark "Payment made to the claimant on _____" under his dated signatures and designation stamp on the claimant's copy of the sanction. The claimant's copy of the sanction along with discharged certificates will be sent the Postal Account Office with the discharge journal.

(8) (i) If the sanction is issued by one of the offices where at least one of the certificate stands registered the payment of all the certificates may be made to the claimant by that office. The genuineness of the claim in respect of certificates standing registered at other offices will already have been verified by the sanctioning authority. In case the sanction is issued by an authority other than any of the heads of offices where certificates stand registered, the payment may be allowed to the claimant at any of the offices of registration of certificates, as desired by him. The claimant's copy of the sanction shall be surrendered by him on which the Postmaster will record a remark "Payment made to the claimant on....." under his dated signature with designation stamp. The date of payment of certificates will be reported to the offices of registration for noting the same in the applications for purchase against the entries relating to the certificates. An advice of payment should also be sent to the office of registration as required in Rule 31. The claimant's copy of the sanction along with the discharged certificates will be sent to the Postal Accounts Office.

(ii) If the claimant desires in writing for payment by means of a M.O. or a cheque his request may be acceded to provided that he agrees to the M.O. Commission being deducted from the amount due and in the case of payment by cheque, the amount payable is not less than Rs. 100 and the Postmaster is authorised to issue cheques for Savings Bank and Saving certificate transactions under Rule 143 of the P & T Financial Hand Book (Volume I, Part-I). The claimant should be asked to write the words 'by money order less M.O. Commission' or 'by cheque' as the case may be, after the words 'Received payment of Rs..... Paise' on the reverse of the savings certificates. In such cases the following procedure will be followed:

(a) In case of M.O. the amount due less M.O. commission will be remitted to the claimant and the M.O. receipt will be sent to the Postal Accounts Office alongwith the discharged certificate which is to be attached to the discharge journal after noting the particulars of Money Orders in the application for purchase. A watch will be kept for the acknowledgement which on receipt will be sent to the Postal Accounts Office with a covering letter after keeping a suitable note on the application for purchase.

(b) Payment through cheque will be made by means of a crossed cheque which will be sent by the Issuing Postmaster by registered post to the Head or Sub Postmaster in whose jurisdiction the claimant is residing with a forwarding letter, copy of which will be endorsed to the claimant. The particulars of the cheque will be noted in the application for purchase, the certificate discharged and the remarks column of the discharge journal against the relevant entry. When the claimant calls for the collection of the cheque, the

post office will obtain a receipt for the same from him and forward the same to the postmaster issuing the cheque who in turn will forward the receipt to the Postal Accounts Office with covering letter after keeping a suitable note on the application for purchase.

(iii) If the claimant desires the certificate to be transferred to his name, the particulars of the certificate to be transferred should be noted on the application for transfer from one person to another (Form NC-34) quoting the number and date of the authority admitting the claim. The recognised heir should then be required to sign the declaration on the reverse of the form of application for transfer on which the particulars of the fresh certificates issued in lieu of the old certificate should be noted under the Postmaster's signature. The application should then be filed in the office of issue of the fresh certificate and treated in every respect like the original application for purchase of certificates.

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(9) **Partial discharge of certificates held in the names of deceased holders** :- cases where a necessity for partial discharge arises will be disposed of as indicated hereunder :-

(i) Cases where the claim of all the heirs have not been admitted:-

(a) The paying Postmaster will make the following endorsement on the reverse of the certificate under his dated signature, viz. :-

"Claim for*share sanctioned by.....

*Portion of share i.e. one-third, half etc.

Vide his No.....dated.....Total amount payable Rs..... Amount of Rs.....(in words:.....) paid to the claimant and certificates for the balance, viz. Rs.....issued in the name of the deceased holder and Rs.....have been credited today under unclassified receipts less than Rs..... .10 if still left over.

A note on the fresh certificate will be made regarding the payment of Rs.....as share of... .. (name of the claimant).

(b) The receipts for the amount paid to the claimant will be taken in Form ACG-17 and the balance left over if any, after the issue of the fresh certificate, credited to unclassified receipts with the following remarks :-

"Remarks as in (a) above, preceded by the words Total amount payable Rs..... on certificate No..... dated..... for Rs.....

(c) Remarks as at (a) above will be made in the relevant application for purchase giving the date and details of the fresh transaction.

(d) The Postmaster will intimate the sanctioning authority of the action mentioned above so that he will keep a note of it in the claim file to enable him to include the date of credit, the amount credited and the fresh certificates issued in the orders sanctioning the claims of the other heirs.

(ii) Cases where some claimants are desirous of en cashing their share while others desire to have fresh certificate issued in their names :-

(a) The paying postmaster will make the following endorsement on the reverse of the certificate under the dated signature : -

"Amount payable on this certificate Rs.....to be paid to*.....claimant(s). Paid Rs.....
..(in words Rs.....)to* claimant(s) and certificate for Rs..... issued and cash Rs..... paid to
..... claimant(s)

*No. of claimants

(b) The receipt of the claimant(s) desiring payment in cash will be obtained in Form ACG-17.

(c) Fresh certificates will be issued in favour of other claimants with the original date of issue. A transfer application with suitable charges therein will be obtained.

(d) The column in the Issue Journal relating to "Issue 'Price realised, will be left blank and a remark "In lieu of share of certificate No..... .. dated for Rs....." be recorded in the remarks column.

(e) In case the entire share amount cannot be issued in certificates, the balance will be paid in cash.

(f) Detailed remarks will be made in the application for purchase.

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(iii) An intimation of the date of payment of the value of the certificate should be sent to the sanctioning authority.

(iv) Discharge journals in both the types of cases should be prepared at the time of first payment on the original certificate. The amount to be charged in the discharge journal should be the total of cash payment made to the payees and the amount to be charged in the discharged journal should be the total of cash payment made to the payees and the amount (if any) credited in the schedule of unclassified receipts. This charge should be supported by the discharged certificate bearing the Postmaster's remarks above the details of discharge.

(10) In order to keep a watch on the expeditious disposal of claim cases a register in the form given in Appendix (VII) should be maintained by all sanctioning Authorities (including Circle Offices). As soon as an intimation of the death of the holder is received and the claim application is supplied a note should be kept in the application for purchase and an entry made in the register of deceased claims cases. The register will be examined every month by the Head of the Office or Section to see that no case is being unduly delayed and such action as may expedite its final disposal is taken immediately. This register will enable higher authorities by reference to columns 3 and 9 to see if the disposal of claim cases is being unduly delayed in the subordinate offices and take action to rectify the delay, if any. A summary of the cases pending at the end of each month (with serial numbers of the cases pending noted against each) should be prepared in the register showing separately (a) the number of claims pending for less than 3 months, (b) more than three months, (c) for more than six months and (d) for more than one year. Action taken to expedite the disposal of delayed cases should be indicated.

Note: - All cases in which claim has been preferred with or without complete papers, etc. but have not yet been settled may be treated as pending with suitable remarks being given to indicate reasons for pendency.

(11) In case of Soss, the claim application and the report on completion will be submitted direct to the competent authority except that EDSPMs should in all cases submit the application to the Head Postmaster after certifying that the certificate stands registered in his office.

(12) For the purpose of this Rule the holders who have not been heard of for more than 7 years will be treated as dead and the claims in respect of their holdings settled in accordance with the foregoing sub-rules of the Rule, provided the disappearance of the holder of the certificate has been established and the claimant is prepared to indemnify the Government against any adverse claim.

(13) Settlement of deceased depositor' claims on Savings Bank/Savings Certificates where either the claimant or some near relations is/are living abroad :- There have been difficulties in settling claims on account of deceased depositors' SB, etc. accounts and Savings Certificates where claimant or some near relation(s) is/are living abroad. With a view to eliminating these difficulties, the following procedure is laid down.

(i) Claim from a claimant residing in a foreign country, letter of consent from a person residing in a foreign country, power of attorney executed in a foreign country and death certificate issued in a foreign country should have the authentication by the Indian Consular Office in that country, if reciprocal arrangements under Section 14 of the Notaries Act, 1952 do not exist between India and that country. Authentication means that the authenticating official has assured himself of the person who has signed the instrument, as well as the fact of execution. In case India has no consular relations with the country and no other foreign nation has been entrusted with the task of looking after the interests of India or of the people of Indian origin there, the authentication should be done by a Magistrate of that country.

(ii) Reciprocal arrangement under Section 14 of the Notaries Act, 1952 exists between India and the countries of United Kingdom, Hungary, Ireland, Belgium and New Zealand only. The documents executed before a Notary in any of these countries does not require authentication by the Indian Consular Office in that country.

(iii) Payment of the claim to a claimant residing in a foreign country will be made to the holder of power of attorney. No direct remittance will be made to the claimant in the foreign country.

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(14) Signing of SB-84 form by L.S.G Officials :- On page 3 of SB-84 form, a certificate to the effect that the claimant is known and the statements made by him are to the best of his knowledge and belief are correct, is to be furnished if a declaration as specified below para 5 of the form is not made by the claimant. In the Note below the above certificate, it is prescribed that the certificate may be signed among others by a Postal Officer not below the rank of an Inspector of Post Offices.

Note: A PRI in LSG is of lower rank than that of an IPOs. Therefore, a person in LSG even though he may be a PRI cannot sign this certificate.

(15) Delay in settlement of deceased claim cases on account of verification of death certificate issued by competent authority:- (i) the genuineness of the death certificates may be got verified by the local authorities themselves except where genuineness cannot be verified locally. The death certificate produced by the claimants, where found certified by the competent authority, should be accepted for settlement of the deceased claim cases.

(ii) Verification of death certificate given in original or certified by the competent authority should be necessary only when there is a doubt about the genuineness of the certificate. In all cases, the claimant

may be made to sign the certificate before admitting the claim and payment made only after the identity of the claimant is established.

(16) **Revival of sanction for payment:-** Where it is necessary to revive or revise a sanction for payment of the deceased depositor's certificate, the reviving or revising authority may permit payment of interest on the certificate where admissible up to the month preceding the month of revival or revision of the sanction provided he/she is satisfied that the delay was entirely beyond the control of the claimant.

(17) If there is a difference in the name of the deceased depositor, a reconciliation certificate in the following form may be obtained from the claimant with the claim application form.

Reconciliation certificate in case of a difference in name

Certified that the real name of the deceased investor of savings certificate No.....dated.....was.....He also used to be called by.....(name). The name as mentioned in savings certificate/in the Death Certificate, is that of one and the same person viz., the deceased investor.

Address..... Signature
..... Name (in block letters)
Signature..... Designation stamp

HEAD OFFICE MONTHLY SUMMARIES

51. (1) Each Head Office will prepare from the information contained in the Head Office and sub-office monthly/weekly journals of certificates issued and discharged, separate monthly summaries in Forms NC-30 and NC-31 of certificates issued and certificates discharged by the Head Office itself and by its Sub-Offices. The summaries will be despatched to the Postal Accounts Office in the first week of the following month accompanied by the monthly journals of certificates issued and discharged to which they relate. Only one summary should be prepared separately for each series showing the number and amount of the certificates issued /discharged relating to all the denominations.

The Postmaster should verify the monthly summary figures not only with the aggregate totals of the monthly journals but also with the figures depicted in the monthly cash account under each series.

(2) The monthly summary must be submitted to the Postal Account Office even if there be no transaction at the Head Office or any sub-office under it during a month.

(3) A statistical register in form EST-88(a)is required to maintain both in the head and sub post offices in order to keep the statistics relating to savings certificates transactions. The register is closed monthly basis. The Postmaster/Sub Postmaster should ensure that the register IS maintained properly as per instructions given on the inside page of the front cover and kept up-to-date. The register will be filled up daily and checked by the Postmaster/Sub Postmaster. The register is useful for the periodical revision of the establishment of the Savings Certificates work and furnishing of statistical information to higher authorities as and when required.

CERTIFICATES VOUCHER LIST

52. (1) **In Head Offices:** -The certificate documents and vouchers for despatch to the Postal Accounts Office should be entered in the voucher list (Form NC-31(A), in accordance with the direction printed on the list, whether they relate to entries in the journal with which they are submitted, or to journals previously despatched, or to references received from the Postal Accounts Office. The total number of pages of the certificate journals forming each despatch should be noted on the voucher list.

(2) These lists should be numbered in a consecutive annual series, signed by the Head Postmaster and despatched with the documents and vouchers attached under the same cover as the Post Office Certificate journal. If there are no documents for despatch, a blank list with the word "NIL", written in it and signed by the Head Postmaster should be submitted. Copies of the voucher lists prepared by means of carbonic paper should be kept on record.

NOTE :- Should intimation be received from the Postal Accounts Office, whether by code-message or letter of the non-receipts of a voucher or documents entered in a voucher list, the Head Postmaster must give his personal attention to the matter and take immediate steps to trace and forward the missing voucher of document.

53. DELETED

54. DELETED

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KISAN VIKAS PATRAS

56. 1 A new series of saving certificates known as Kisan Vikas Patras has been put on sale through Departmental Post Offices doing Savings Bank work with effect from 1.4.1988. The certificates will also be sold through ED Branch Post Offices which are authorised for this purpose by the Head of the Circle. The salient features and procedure of the certificates are as under :-

(1) The certificates will be available in the denominations of Rs.100/-, Rs. 500/-, Rs. 1,000/-, Rs. 5,000/- Rs. 10,000/- and Rs.50,000/-.

(2) The certificates will be issued to Individuals and registered Trusts only with effect from 1.4.1995 to 12.5.2005.

(2a). The sale of certificates to trusts has been discontinued with effect from 13.5.2005. The KVPs issued before 13.5.2005 to Trusts will continue till maturity and will not be extended further. The maturity value or premature value as the case may be of these certificates will be paid in accordance with the existing rules.

(3) The maturity period and the maturity value (Rs. 1000 denomination) of the certificates issued from time to time will be as under. The maturity value of other denominations will be proportionate of the above value.

Date of issue	Maturity period	Maturity value
2.9.1993 to 31.12.1998	5 ½ years	Rs. 2000
1.1.1999 to 14.1.2000	6 years	Rs. 2000
15.1.2000 to 28.2.2001	6 ½ years	Rs. 2000
1.3.2001 to 28.2.2002	7 ¼ years	Rs. 2000
1.3.2002 to 28.2.2003	7 years and 8 months	Rs. 2000
1.3.2003 onwards	8 years and 7 months	Rs. 2000

(4) Any number of certificates of the denominations specified above may be purchased.

(5) Payment for purchase of certificates can be made by cash, locally executed cheque, pay order, demand draft drawn in favour of the Postmaster or by a duly signed withdrawal form or cheque together with the pass book for withdrawal from Post Office Savings Account standing in the credit of the purchaser at the same post office.

(6) Where payment for purchase of certificate is made by cheque, pay order or demand draft, the date of such certificate shall be the date of encashment of the cheque, pay order or demand draft etc.

(7) The certificate may be encashed at any time after expiry of 2 years and 6 months from the date of purchase of certificate. The certificates can also be encashed before 2 ½ years at anytime under conditions laid down in rule 13 of the K. V.P. Rules.

(8) For matters, on which no provision has been, made in the K.V.P. Rules, the corresponding provisions of Post Office Savings Certificates Rules. 1960 will apply.

(9) Separate Accounts Head for issue and discharge of these series of certificate as detailed below will be opened in the accounts of post offices.

Receipt Side	Payment Side
Purchase of Kisan Vikas Patra	Vikas Patra
1. Issue Price	1. Issue Price
	2. Interest

(10) The procedure relating to NSCs as laid down in P.O.S.B. Manual Volume II shall apply mutatis mutandis to the new series of certificates.

(11) The KVPs of Rs. 50,000 denomination can be issued by all head offices and authorised departmental sub offices doing SB work.

(12) The facility of making nomination by single and joint holders of the K.V.Ps is allowed.

(13) The certificates will also be sold through authorised agents appointed under the Standardised Agency System.

(14) The certificates cannot be issued in the name of HUF and Non Resident Indians as there is no such provision in the KVP Rules.

(15) The partial discharge of these certificates is not allowed.

(16) There is provision for the grant of post maturity interest on these certificates.

(17) The payment of discharge value of the certificates of Rs. 20,000 or more will be made by cheque only.

(18) The facility of encashing these certificates by the investor through bank or messenger is available.

(2) Sale of Kisan Vikas Patras through E.D. Branch Offices :- The Heads of Circles have been authorised to vest the E.D. Branch Postmasters with the powers to transact Kiasn Vikas Patras business independently if the traffic justifies.

(3) Premature encashment of Kisan Vikas Patras pledged to Banks :- The premature encashment of KVPs is allowed after the expiry of 2½ years from the date of issue under the rules. The banks to whom these certificates are pledged cannot take premature encashment before the expiry of 2½ years in the event of default on the part of the loanee. Only a Gazetted Government Officer to whom the KVPs are pledged can take premature encashment before the expiry of 2½ years on forfeiture of the pledge.

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(4) Fee for various transactions in Kisan Vikas Patras :- The fee for Kisan Vikas Patra in respect of transactions pertaining to transfer of certificate from one person to another, including pledging, issue of duplicate certificate, issue of certificate of discharge and conversion from one denomination to another is governed by Post Office Saving Certificates Rules, 1960. The fee is Rs. 0.25 in the case of a certificate of denomination of Rs. 100 and Re. 1 in any other case.

(5) Issue of duplicate KVPs in lieu of lost, mutilated, defaced and destroyed KVPs :- When the stock of certificates printed 'duplicate' is exhausted in the post office, the instructions contained in D.GP. & T letter No. 25-68/67-F(SS) dated 30.9.1969 may be followed until over printed certificates are received from the Controller of Stamps, Nasik. The procedure is applicable in the case of KVPs also. [See Para 45(I)]

(6) Introduction of "Kisan Vikas Patra" of the denomination of Rs. 50,000/- :- (i) The KVP in the denomination of Rs. 50,000 has been introduced vide MOF (DEA) Notification No. GSR 87 (E) dated 9.2.1994.

(ii) The sale of these Patras is restricted to Head Post Offices and selected departmental sub post offices which are authorised by the Head of the Circle. The requirement for Rs. 50,000/- denomination KVPs may be assessed and an indent placed with the India Security Press, Nasik.

(iii) The Patras, as and when received, must remain in the personal custody of the PM/SPM and he will personally keep all records and documents for stock and issue of Kisan Vikas Patras of Rs. 50,000 denomination. In the event of non-availability of these Patras, the PM/SPM will receive the payment for issue of Patras against Preliminary Receipt in NC (4a). The receipt will bear the personal full signature of the PM/SPM concerned. The certificates will be issued by the PM/SPM himself and a separate register for keeping the record of stock and sale in the prescribed form will be maintained by the PM/SPM personally. Thus, all work/transactions relating to Rs. 50,000/- denomination Patras will be done by the PM/SPM personally. Whenever there is a change of incumbent, the PM/SPM while giving charge to the new incumbent must specifically mention on the charge report about the stock and issue of Kisan Vikas Patras of Rs. 50,000/- denomination making a reference to the register of stock and sale specially maintained for this purpose by the PM/SPM concerned.

(iv) For all other matters, the existing procedure/instructions for indenting and sale of Kisan Vikas Patras should be followed.

(7) Issue of KVPs to Non-Resident Indians (NRIs): - The Non Resident Indians are not eligible to purchase Kisan Vikas Patras. However, if a resident who subsequently becomes NRI during the currency of the maturity period shall be allowed to avail the benefits of the Patras on maturity on a non repatriation basis.

(8) Date of maturity of KVPs purchased on 29th, 30th and 31st of the month :- If the KVPs are purchased on 29th, 30th and 31st of the month and these dates do not come in the month of maturity, the date of maturity to be recorded on the Patras will be the last date of the month of maturity. For example, if the Patras are purchased on 31.8.1997, the date of maturity to be recorded on the Patras will be 28.2.2003.

(9) Issue of separate form for application of purchase of KVPs through agents and direct investment : (i) Form of application for purchase of Kisan Vikas Patras is in two different colours numbered as NC-69A and NC-69AI. The form NC-69A, white in colour, is meant for direct investment whereas the form NC-69AI will be in light pink colour and for use for investment through agents.

(ii) Two separate guard files, one for direct investment and other for investment through agents, will be maintained by the post offices for keeping the applications for purchase. Separate serial numbers to applications for purchase will be allotted in these guard files.

57. DELETED.

6-YEAR NATIONAL SAVINGS CERTIFICATES (VIII-ISSUE)

58. 1 A new series of Savings Certificates known as National Savings Certificates (VIII-Issue) has been put on sale w.e.f. 8.5.1989 through Departmental Post Offices and such other post offices as may be authorised by the Heads of Circles. The salient features and the procedure to be followed by the post offices for these certificates are as under:

2 **Salient features of the scheme :-** (1) The certificate will be available in the denominations of Rs. 100/-, Rs. 500/-, Rs. 1000/-, Rs. 5000/- and Rs. 10,000/-.

(2) These certificates will be issued to the individuals and trusts only with effect from 1.4.1995 and to HUF w.e.f. 2.8.2001.

Note :- From 13.5.2005 the issue of NSCs (VIII-Issue) to HUF and Trusts has been discontinued. The certificates already issued to these bodies will continue till maturity and will not be extended further. The maturity value of this certificate will be paid in accordance with the existing rules.

(3) The maturity period of the certificate shall be six years commencing from the date indicated on the certificate. The amount inclusive of interest payable on encashment of a certificate at any time after the expiry of its maturity period shall be Rs. 160.10 with effect from 1.3.2003 for the denomination of Rs. 100/and at proportionate rate for any other denomination.

(4) Any number of certificates for the denominations specified above may be purchased.

(5) Payment for purchase of certificates can be made by cash, locally executed cheque, pay order, demand draft drawn in favour of the Postmaster or by a duly signed withdrawal form or cheque together with the pass book for withdrawal from post office Savings Account standing in the credit of the purchaser at the same post office or by surrender of a matured old certificate duly discharged.

(6) There is no provision for issue of **Identity Slip** to the investor for these certificates.

(7) A certificate may be prematurely encashed in any of the following circumstances :

(a) On the death of holder or any of the holders in case of joint holders.

(b) On forfeiture by a pledgee being a Gazetted Government Officer.

(c) When ordered by a Court of Law.

(8) Interest on these certificates shall be liable to tax under the Income tax Act on the basis of the annual accrual specified in rule 15, but no tax shall be deducted at the time of payment of discharge value.

(9) The facility of nomination has been provided for this new series.

(10) The NSCs (VIII-Issue) issued on or after 1.3.2003 will carry interest at the rate of 8% p.a. (compounded half yearly).

(11) The facility for pledging of the certificate will be available for these certificates.

(12) The certificate can be discharged only after the expiry of six years except in circumstances mentioned in item (7) above.

(13) A fee of Rs. 5 for the issue of duplicate, transfer, etc. as mentioned in rule 25 will be charged.

(14) The facility of conversion from one denomination to another is available.

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(15) The certificates cannot be issued to Non-Resident Indians as there is no such provision in these rules.

(16) The facility of encashing these certificates by the investor through bank or messenger is available.

(17) The payment of discharge value of the certificates if it is Rs. 20,000 or more will be made by cheque only by the post offices.

(18) There is provision for the grant of post-maturity interest on these certificates.

(19) The partial discharge of these certificates is not allowed.

(20) The maturity period and maturity value of these certificates issued from time to time are as under:-

Sl. No.	Date of issue	Maturity period	Maturity value of Rs. 100 denomination
1.	8.5.1989 to 31.12.1998	6 years	Rs. 201.50
2.	1.1.1999 to 14.1.2000	6 years	Rs. 195.60
3.	15.1.2000 to 28.2.2001	6 years	Rs. 190.12
4.	1.3.2001 to 28.2.2002	6 years	Rs. 174.52
5.	1.3.2002 to 28.2.2003	6 years	Rs.169.59
6.	1.3.2003 onwards	6 years	Rs. 160.10

3 Procedure to be followed by the Post Offices:-

(1) **Forms:-** The form NC-71 printed as application for purchase for these certificate will be used.

(2) **Heads of Accounts:-** Separate account heads for issue and discharge of these certificates, as detailed below, will be opened in the accounts of the post office.

Receipt Side	Payment Side
Purchase of 6-Years NSCs (VIII-Issue)	6-Years NSCs (VIII-Issue)
1. Issue Price	1. Issue Price 2. Interest

(3) The certificates will be sold through authorised agents appointed under the Standardised Agency System

(4) There is no provision for the grant of Identity Slip for these certificates.

(5) There is no provision for the acceptance of outstation cheques etc. for the purchase of these certificates. Only local cheques, etc. are to be accepted.

(6) The procedure relating to National Savings Certificates as laid down in Post Office S.B. Mutual Volume n shall apply mutatis mutandis to the new series of certificates.

4 Sale of new Series of NSCs (VIII-Issue) through E.D. Post Offices :- It may be stated that as per NSCs (VIII-Issue) Rules, the sale can be made through Departmental Post Offices or such other Post Offices as authorised by the Department [Rule 2(xii)]. The Head of Circle can authorise any other Post Office if demand and justification is there besides the Departmental one to sell NSCs (VIII-Issue). The provision of preliminary receipt is also there in Rule 8(3) for these certificates.

5 Sale of NSCs (VIII-Issue) to Non-Resident Indians :- The Non Resident are not eligible to purchase NSCs (VIII-Issue). Provided that if a resident who subsequently becomes NRI during the currency of the maturity period shall be allowed to avail the benefits of the certificates on maturity on a non repatriation basis.

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6 Issue of the certificate of annual interest accrued in respect of NSCs (VIII-Issue) for the purpose of filling of income tax returns: - Certificate of annual interest accrued in respect of National Savings Certificate VI and VII Issue and Social Security Certificates are issued to the holders without levying any fee for the purpose of filling of income-tax returns. This facility is also available to holders of National Savings Certificate VIII-Issue. A proforma of the certificate to be issued is also enclosed.

PROFORMA

From _____ To _____
No. _____ Dated _____

Subject: Certificate of accrual of annual interest on NSCs (VIII-Issue) certificates.

This is to certify that an amount of Rs. _____ has accrued as interest for the year _____ on National Savings Certificate, VIII-Issue particularised below standing in your name at this office.

Sl. No.	Number of Savings Certificates	Denomination Rs.	Value Rs.	Interest Rs.

Date Stamp of Post Office

Postmaster/Sub Postmaster

APPENDIX I**SCHEDULE OF FEES TO BE CHARGED FROM THE INVESTORS/ HOLDERS OF SAVINGS CERTIFICATES FOR VARIOUS SERVICES RENDERED BY THE POST OFFICES**

The schedule of fees to be charged for the various services is given below:-

Sl. No.	Name of service	Rate of fee	Authority
1.	Issue of certificate of holding of Savings Certificates	Free of charge	D.G. P&T letter No. 30-26/74-SB dated 15.12.1971
2.	Issue of certificate of annual interest paid on National Savings Certificates	Free of charge	D.G. P&T letter No. 2-1/76-SS dated 10.6.1977
3.	Issue of Certificate of commission paid to the authorized agents during the financial year.	Rupee one per Certificate (Fee to be paid in postage stamps)	D.G. P&T letter No. 3-14/77-SS dated 27.3.1978
4.	Issue of duplicate National Savings Certificates (II Issue) and KVP.	25 paise in the case of a Certificate of denomination of rupees one hundred or below and rupee one in any other case. (Fee to be paid in cash).	Rule 32 of P.O.S.Cs. Rules,1960 and Rule 44 of P.O.S.B. Manual Volume II.
5.	Issue of Certificate of discharge in respect of National Savings Certificates (II Issue) and KVP.	-do- (Fee to be paid in cash). The fee to be charged shall be calculated separately on the aggregate face value of all Certificates which were purchased on any one application and which are included for discharge in the discharge Certificate.	Rule 32 of P.O.S.Cs. Rules,1960
6.	Conversion of one denomination to another of KVP.	-do- (Fee to be paid in cash). The fee shall be based on the number and denomination of the Certificates required to be issued on such conversion.	- do -
7.	Transfer of KVPs from one person to another and their pledging.	25 paise in respect of Certificate of Rs. 100 denomination or lower and Re. 1 in any other case (Fee to be paid in cash).	D.G. Posts letter No. 61-35/92-SB dated 15.12.1992 and 22.4.1993.
8.	Issue of duplicate 6-year NSCs (VI & VII Issue)	Rupee one in the case of a Certificate of the denomination of Rs. 500 or more and 25 paise in any other cases (Fee to be paid in cash).	Rule 29 of NSCs (VI & VII Issues) Rules, 1981 and Rule 44 of P.O.S.B. Manual Volume II.
9.	Issue of Certificate of discharge in respect of 6-year NSCs (VI & VII Issue)	-do- (Fee to be paid in cash). The fee to be charged shall be calculated separately on the aggregate face value of all	Rule 29 of NSC (VI & VII Issues) Rules, 1981 and Rule 44 of P.O.S.B. Manual Volume II.

		Certificates which were purchased on any one application and which are included for discharge in the discharge Certificate.	
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10.	Registration of nomination or of any variation in nomination or cancellation thereof in respect of Social Security Certificates.	Rupee one per application. No fee is charged on application for registration of first nomination. (Fee to be paid in postage stamps)	Rule 25 of Social Security Certificates Rules, and Rule 35 of P.O.S.B. Manual Volume II.
11.	Transfer of Social Security Certificates by way of pledge under Rule 13 of these rules.	Rupees two per Certificate. (Fee to be paid in cash)	Rule 25 of S.S.C Rules, and Rule 38 of P.O.S.B. Manual Volume II.
12.	Issue of duplicate Social Security Certificates	- do -	Rule 25 of S.S.C Rules, and Rule 44 of P.O.S.B. Manual Volume II.
13.	Issue of Certificate of discharge in respect of Social Security Certificates	Rupees two per Certificate of discharge of each application for purchase. (Fee to be paid in cash)	Rule 25 of S.S.C Rules, 1982
14.	Conversion of one denomination to another of Social Security Certificates	Rupees two per certificate. The fee shall be based on the number of certificates required to be issued on such conversion. (Fee to be paid in cash)	Rule 25 of S.S.C Rules, and Rule 32 of P.O.S.B. Manual Volume II.
15.	Issue of fresh Indira Vikas Patra in lieu of mutilate/defaced IVP.	Rupees one per certificate. (Fee to be paid in postage stamps)	Rule 57(11) of P.O.S.B. Manual Volume II.
16.	Registration of nomination or of any variation or cancellation of nomination in respect of National Savings Certificates (VIII Issue)	Rs. 5/- per application. (Fee to be paid in postage stamps)(No fee is charged on application for registration of the first nomination.	Rule 25 of P.O. NSCs (VIII –Issue) Rules, 1989 and Rule 35 of P.O.S.B. Manual Volume II.
17.	Transfer of 6-year NSCs (VIII Issue) from one person to another, other than a transfer from the holder to a Court of Law or under the orders of a Court of Law, but including transfer in following cases. (a) Transfer from the name of a deceased holder to his heir. (b) Transfer in the name of the survivor in the event of the death of one of the joint holders. (c) Transfer by way of pledging and release by pledge.	Rupees five per certificate (Fee to be paid in cash)	Rule 25 of P.O. NSCs (VIII –Issue) Rules, 1989 and Rule 38 of P.O.S.B. Manual Volume II.
18.	Issue of duplicate 6- year NSCs (VIII Issue)	Rs.5/- per certificate (Fee to be paid in cash)	Rule 25 of P.O. NSCs (VIII –Issue) Rules, 1989 and Rule

			44 of P.O.S.B. Manual Volume II.
19.	Conversion of one denomination to another of 6- year NSCs (VIII Issue)	Rs.5/- per certificate (Fee to be paid in cash). The fee shall be based on the number of certificates required to be issued on such conversation.	Rule 25 of P.O. NSCs (VIII –Issue) Rules, 1989 and Rule 32 of P.O.S.B. Manual Volume II.
20.	Issue of certificate of discharge in respect of 6-year NSCs (VIII Issue)	Rs.5/- per certificate of discharge for each application for purchase (Fee to be paid in cash).	Rule 25 of P.O. NSCs (VIII –Issue) Rules, 1989 and Rule 32 of P.O.S.B. Manual Volume II.
21.	Registration of nomination or of any variation or cancellation thereof in respect of KVPs.	Rupee one per application. No fee is charged on application of first nomination. (Fee to be paid in cash).	Rule 25 of P.O. NSCs (VIII –Issue) Rules, 1989 and Rule 35 of P.O.S.B. Manual Volume II.

APPENDIX II

[See Rule 44]

Register of duplicate certificates issued in lieu of lost, stolen, destroyed, mutilated or defaced certificates (vide Rule)

Sl. No.	Date of application for issue of duplicate certificates	Name of the investor (in full)	Sl. No. of the certificate(s) lost, stolen, destroyed, mutilated or defaced	Denomination	Office of issue	Date of issue
1	2	3	4	5	6	7
Particulars of the duplicate certificates defaced issued			Initials of Postmaster	Date of destruction of mutilated/ defaced certificate(s)	Initials of the Inspecting Officer	Remarks
Sl. No.	Date of Issue					
8	9	10	11	12	13	

APPENDIX III

[See Rule 46]

Intimation of the seizure of National Savings certificates issued by the Post Office.

1.	Number of the certificates (including prefixed alphabets)
2.	Its denomination or face value
3.	Type of certificate (i.e. single holder type or joint holder 'A' Type or Joint holder 'B type' as can be seen from certificate)
4.	Name(s) of holder(s)
5.	Office of issue
6.	Date of issue
7.	Registration No. given by the P.O. on the left hand bottom corner of the certificates
8.	Authority under which seized

9.	Action contemplated
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N.B.- The Post Office of issue of the certificate(s) may please take note of the above seizure and any request for issue of duplicate certificate(s) and claims for cash payment against the above noted certificate(s) need not be acceded to without prior reference to this Custom house.

(SEAL) CUSTOMS OFFICER
(Acknowledgement to be detached and returned by the PO)

No..... Dated.....

Received from the Customs Officer..... an intimation about the confiscation of the following Savings Certificate(s).

- 1. No. of the certificate
- 2. Denomination
- 3. Name (s) of the holder(s)
- 4. Name of Post Office of Issue
- 5. Date of Issue

A note of this seizure has been made in the records of this Office

(Name and Date-Stamp of Office) Postmaster

To

The Customs Officer.....
His letter No..... Dated refers

APPENDIX IV
[See Rule 50]

Claim application form for settlement of Savings Certificates of the deceased holder who died on..... where nomination has been registered with Post Office.

To

The Postmaster,
.....

Sir,

In connection with the settlement of claim of Post Office Certificates standing in the name of the deceased..... in the books of..... (name of Post Office), I hereby claim the payment of the value of the Post Office Certificate(s) No..... The payment may be made by cash/cheque or money order (after deducting commission). In support of the claim, I hereby submit :-

- (i) Death Certificate of the deceased.
- (ii) Death Certificate(s) of other nominee(s), if any.

The nomination was registered at.....Post Office under No.....
 .dated.....

Yours faithfully,

Address Date	Signature or thumb impression of the claimant if illiterate.
Address of the Gurdian..... Date	Signature of the Guardian appointed to receive the amount on behalf of minor nominee(s)

APPENDIX V
[See Rule 50]

Claim application form for settlement of savings certificates of the Deceased holder where the claim is referred on legal evidence of heirship.

To
 The Postmaster,

Sir

In connection with the settlement of claim of Post Office Certificate(s) standing in the name (deceased). in the books of. (name of Post Office) I (state the full relationship) of the deceased, who died on.....hereby claim the payment of the value of the post office certificate(s) No. In support of the claim, I hereby, submit the original/certified/attested copy of the following :

(i) A succession certificate granted by..... under No..... dated.....

(ii) Probate of will granted by..... under No.....

(iii) Letter of Administration of the Estate of the deceased granted by.....under No..... dated.....

Yours faithfully,

Address.....

(Signature of the claimant)

Date

CERTIFICATE BY TWO WITNESSES

Number	Denomination	Date of Issue	Name of the office of Registration

Copy forwarded for information to the :-

1. The Postmaster/SPM.....Post Office. The date of payment may be communicated as soon as the payment is effected.
2. The Director/Dy. Director of Postal Account..... The current value of the Post Office Certificate held by the deceased holder does not exceed Rs.1000/2000/5000/10,000/20,000/50,000/75,000/1,00,000 as per the claimant's statement in the claim application.

Sanctioning Authority

APPENDIX VII
[See Rule 50]

Name of Office

Register for watching expeditious settlement of claims relating to Savings Certificate standing in the names of deceased persons

Sl. No.	Case Mark	Date of receipt of claim application	Name and address of claimant with particulars of relationship to the deceased	Name of deceased holder and date of death
1	2	3	4	5
Particulars of certificates	Value of certificates	Particulars of sanction issued	Date of payment	Remarks
6	7	8	9	10

Summary of the cases pending at the end of each month.

N.B. – Serial number of the cases pending should be indicated against each item).

- (a) No. of claims pending for less than 3 months.
- (b) Do. 3 to 6 months
- (c) Do. 6 to 12 months.
- (d) Do. Over one year
- (e) Total

Date.....

Postmaster

APPENDIX VIII

PERIOD OF PRESERVATION OF SAVINGS CERTIFICATES RECORDS IN POST OFFICES

Sl. No.	Title of record	Period of preservation
1.	Application for nomination (NC-51) or cancellation or variation of nomination (NC-53) of Savings Certificates.	5 years plus the prescribed period of maturity or extended maturity (if the certificates are allowed to be retained beyond maturity) from the date of discharge of the certificate.
2.	Register of nominations	-do-

	(NC-52) of Savings Certificates.	
3.	Yearly list of unsold saving Certificates	The list should be destroyed after obtaining from the Postal Accounts Office certificates of settlement of all the discrepant items relating to that year or after 2 years whichever is later.

4.	Yearly list of unclaimed saving Certificates	3 years
5.	Preliminary receipts NC-4(a) issued for Savings Certificates	3 years
6.	Provisional receipts (NC-11) issued for Savings Certificates	3 years
7.	Identity slips (counter foils) of Savings Certificates.	18 months after the discharge of the certificates.
8.	Voucher list NC-31 (a) of Savings Certificate	18 months provided no objections are pending settlement regarding non receipt of any return in the Postal Accounts Office.
9.	Daily Summary of payment of Defence Deposit Certificates.	18 months
10.	Guard Book containing applications for Gift Coupons (NC-40)	3 years after the Gift Coupons are discharged.
11.	Receipts issued for amounts for purchase for Units of the Unit Trust of India	18 months
12.	Special error book relating to Savings Certificates	3 years
13.	Monthly statistical register	3 years
14.	Bonds of indemnity obtained in connection with the issue of duplicate certificates under rule 20 of the P.O. Savings Certificate Rules, 1990	(i) 5-year N.S.Cs.-23 years from the date of issue (ii) 7-year N.S.Cs.-18 years from the date of issue (iii) 12-year N.S.Cs.-23 years from the date of issue. (iv) 10-year N.P.Cs.-21 years from the date of issue. (v) 12-year N.P.S.Cs.-23 years from the date of issue.
15.	Journals of certificates issued and discharged.	18 months
16.	Monthly Summaries of	18months

	certificates issued and discharged	
17.	Stock register of certificates	10 years after a new register is opened and the Postmaster has initialled the carried forward entries.
18.	Invoices of certificates	3 years

19.	Applications for purchase or transfer of certificates in lieu of which duplicate certificates have been issued or have not been issued.	For a period of 6 years plus the period of maturity or extended maturity if the certificates are allowed to be retained beyond maturity from the date of discharge of certificates.
<p>Note : - From item 14 it will be clear that the indemnity bonds are to be preserved for a period of 6 years after the period of maturity and extended period of maturity, if any.</p>		
20.	Register of commission paid to agents during the year	3 years
21.	Register of commission paid to agents for investments by cheques	3 years
22.	List of commission paid to agents	2 years
23.	Schedule of commission paid to Authorised Agents	3 years
24.	Partially used up Authorised Agents Receipt books	3 years
25.	Nomination Roll kept in S.B. and Savings Certificate Branches	10 years
26.	Monthly statement of stock position of certificates sent by the sub offices to Head Office.	3 years
27.	Unclaimed savings certificates kept in the custody of Postal Accounts Office.	30 years from the date of maturity
28.	Claims to postal certificates of deceased holders. (All relevant material including files, registers, records).	Three years after payment is made except where payment is made on indemnity bond in that case the papers together with the bond should be preserved for six years after the month in which payment is made.

Note :- In case, however, where the commission has not been paid, the relevant records mentioned at serial number 20 to 23 should not be destroyed.

APPENDIX IX

CALENDER OF RETURNS

Sl. No.	From	To	Particulars of Returns	When due	Rule of P.O.S.B. Manual Volume II
1	2	3	4	5	6
(A) WEEKLY RETURNS					
1.	Sub office	Head office	Weekly Journals of certificates issued	On such dates as maybe fixed by the H.O.	20
2.	Sub office	Head office	Weekly Journals of certificates discharged	-do-	33
(B) MONTHLY RETURNS					
3.	Head office	Postal Accounts Office	Monthly summaries of certificates issued	In the first week every month	51
4.	Head office	Postal Accounts Office	Monthly summaries of certificates discharged	-do-	51
5.	Head office	Postal Accounts Office	Monthly schedule of commission paid to authorised agents for the sale of savings certificates	Along with monthly cash account	17
6.	Sub office	Head office	Statement showing the stock position of certificates at the end of the month	On the 1 st of each month	5
(C) QUARTERLY RETURNS					
7.	Sub office	Head office	Quarterly indents for savings certificates	On 15 th of May, August, November and February.	3
8.	Head office	Postal Stamp Depot	Consolidated indents for savings certificates	On the 1 st of June, September, December and March	3
(D) ANNUAL RETURNS					
9.	Sub office	Head office	Yearly list of unsold certificates	10 th of April	7
10.	Sub office	Head office	Yearly statement of certificates returned to the Head office during the year	15 th of April	6

11.	Head office	Postal Accounts Office	Yearly list of unsold certificates	30 th of April	7
12.	Postal Accounts Office	Head office	Yearly list of unclaimed certificates (if any)	1 st week of April	8

APPENDIX - X

ISSUE AND DISCHARGE OF SAVINGS CERTIFICATES

DO'S AND DON'TS FOR COUNTER ASSISTANTS AND SUPERVISOR

COUNTER ASSISTANTS

DO's

1. Issue NSCs (VIII-Issue) and KVPs to individuals and registered trusts only.
2. Check that the agent has correctly deducted the amount of commission at source from the amount of investment in respect of certificates sold through SAS agents.
3. Number the applications for purchase in strict serial order which should run uninterrupted until new series is started.
4. Note the number assigned to the application for purchase on the certificate(s) against the entry "Register No...."
5. Impress the application for purchase with the oblong M.O. stamp on the front side and the certificate with the date stamp of the office.
6. Advise the purchaser of the advantages of making a nomination.
7. Ensure that item No.4 in the application for purchase is scored out in case the purchaser presents the same personally.
8. Write the name of the holder on the certificate in block capital letters and complete address as given in the application for purchase.
9. Transfer the guard books of applications for purchase to the Postmaster after the counter hours.
10. Prepare separate issue and discharge journals for each type and each denomination of the certificate. A single issue journal is to be prepared for certificates sold directly at the counter and through agents.
11. See that the application for pledging of certificates is signed by the transferrer and the transferee and correct fee has been recovered for the transaction in cash.

12. Check the issue journals received from the sub offices with the Index Register of Certificates supplied to sub offices [NC-I2 (a)] to ensure the continuity of serial number of certificates issued.
13. Note the particulars of discharge on the original application for purchase without any loss of time.
14. Obtain the preliminary receipt granted to the purchaser (in cases where certificates could not be delivered immediately) before the certificates are delivered and paste the receipt on the application of purchase.
15. Note the fact of issue of identity slip on the certificate in case of Kisan Vikas Patras as well as on the application for purchase.
16. Affix the stamp "Identity Slip No..... issued on on the certificate and application for purchase if an identity slip is issued in case of Kisan Vikas Patras.
17. Impress the M.O. Round Stamp on the front side and Oblong M.O. Stamp on the back side of the certificate on the discharge of the certificate.

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18. Check the receipt book presented by the SAS Agent at the time of purchase of savings certificate and compare the entries in the application of purchase and agent's copy of the receipt. Also check the continuity of the receipts issued in the receipt book to ensure that there is no break in the receipts issued.
19. See that the agent has not changed the amount of the receipt printed in the cash receipt book.
20. Indicate the correct maturity period and maturity value on the certificate wherever necessary through the impression of a rubber stamp.

DON'Ts

1. Do not make payment in respect of certificate unless authorised by the Postmaster.
2. Do not allow the discharge of a certificate registered at other office except on surrender of the identity slip after being fully satisfied about the identity of the investor or without prior verification from the office of issue.
3. Do not retain the receipt book of any authorised agent with you.
4. Do not advise the investor to purchase the certificate through an authorised agent if he comes direct to the post office.
5. Do not send the certificates presented for encashment or transfer to the office of issue (only particulars of the certificate are to be sent).
6. Do not issue identity slip to the purchasers of NSCs (VIII-Issue).
7. Do not issue certificates to Non-Resident Indians.
8. Do not allow partial discharge of KVPs and NSCs (VIII-Issue).

9. Do not issue cash receipt books for the value exceeding Rs. 50,000 at a time to the agent.

10. Do not accept outstation cheques tendered for the purchase of savings certificates.

SUPERVISORY STAFF

DO's

I. Ensure that the correct type and denomination of the certificates are transferred to the counter Assistant with reference to the application for purchase.

2. Carry out the monthly check of the stock of certificates regularly.

3. See that the bundle of unsold certificates and the files of applications for purchase are kept under lock and key at the end of the day.

4. Ensure that indents received from sub offices for supply of certificates are complied with promptly.

5. See that the certificates are not paid during the period of non-encashability except when authorised by rules.

6. Ensure that the particulars of discharge are noted on the reverse of the application for purchase and that these are authenticated by your initials.

7. Ensure that the receipt book is produced whenever an authorised agent presents application for purchase.

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8. Ensure that item 4 of the application for purchase has been scored out when the purchaser attends the post office personally.

9. See that the returns to the Postal Accounts Office are sent on the due dates.

10. Ensure that objection statements received from the Postal Accounts Office are returned after compliance without delay.

11. Ensure that the stock registers of certificates, identity slips and preliminary receipts are maintained properly and they remain in your personal custody.

12. Make sure that the certificates registered at another office presented for encashment are not mentioned in the list of certificates reported to have been lost or stolen.

13. Ensure that the cash receipt books for the value not exceeding Rs. 50,000 at a time are issued to the agent by the Counter Assistant.

14. See that the cheques presented alongwith the application for purchase for the investment are sent for collection on the same day or the next day.

15. See that the register of receipts ACG-17 for payment of commission to agents for investments by cheques is maintained properly.

16. See that the register of commission paid to agents is posted on daily basis and maintained properly.

DON'Ts

1. Do not allow the stock of certificates to remain with the Counter Assistant (Transfer the working stock daily to the Counter Assistant if specially authorised).

2. Do not supply more than one book of identity slips and one book of preliminary receipts to the sub offices at a time.

3. Do not part with the M.O. oblong stamp and Round M.O. Stamp under any circumstances.