

POST OFFICE TIME DEPOSIT (SECOND AMENDMENT) RULES, 2011 - AMENDMENT IN RULES 7 AND 8

NOTIFICATION [F.NO.1/11/2011-NS-II], DATED 25-11-2011

In exercise of the powers conferred by section 15 of the Government Savings Banks Act, 1873 (5 of 1873), the Central Government hereby makes the following rules further to amend the Post Office Time Deposit Rules, 1981, namely:-

1. (1) These rules may be called the Post Office Time Deposit (Second Amendment) Rules, 2011.

(2) They shall come into force on the 1st day of December 2011.

2. In the Post Office Time Deposit Rules, 1981:-

(a) In rule 7,-

(A) under the heading Table-Q, for the brackets, words, figures and letters "[For deposits made on or after 1st March, 2003]", the brackets words, figures and letters, "[For deposits made on or after 1st March, 2003 but before 30th November, 2011]" shall be substituted;

(B) after Table-Q, the following Table shall be inserted, namely:-

"Table-R

[For deposits made on or after 1st December, 2011]

| Period of deposit | Rate of Interest per cent. per annum |
|-------------------|---|
| 1 year | 7.7 |
| 2 years | 7.8 |
| 3 years | 8.0 |
| 5 years | 8.3 |

(C) in the Notes, in paragraph (2), for the word and letter "Table Q", the words and letters "Table Q or Table R" shall be substituted;

(b) in rule 8, for clause (aa) and clause (b) the following shall be substituted, namely:-

(aa) where a deposit in 1-year, 2-year, 3-year or 5-year account is withdrawn prematurely after 6 months but before the expiry of one year from the date of deposit, simple interest at the rate applicable from time to time to post office savings account shall be payable;

(b) where a deposit in a 2-year, 3-year and 5-year account is withdrawn prematurely after the expiry of one year from the date of deposit, interest on such deposit shall be payable to the depositor for the completed years and months falling in the period commencing on the date of deposit and ending with the date of withdrawal and such interest shall be calculated at the rate, which shall be one per cent, less than the rate specified for a deposit of 1 year 2 year or 3 years, as the case may be, in the relevant Table under rule 7.