

## THE POST OFFICE TIME DEPOSIT RULES, 1981

[Issued vide MOF (DEA) Notification No. F. 3/15/81-NS-(II)  
dated 17.12.1981 and further amended from time to time]

**G.S.R. 664(E)** :- in exercise of the powers conferred by section 15 of the Government Savings Banks Act, 1873 (5 of 1873) the Central Government hereby makes the following rules, namely :-

**1. Short title and commencement** :- (1) These rules may be called the Post Office Time Deposit Rules, 1981

(2) They shall come into force on the 1<sup>st</sup> day of April, 1982.

**(2) Definition** : In these rules, unless the context otherwise requires :-

(a) **"Account"** means a Time Deposit Account;

(b) **"Year"** means a year commencing on the date of deposit in an account.

(c) **Words and expressions** used herein and not defined but defined in the Post Office Savings Bank General Rules 1981 and the Post Office Savings Account Rules, 1981 have the meanings respectively assigned to them in those rules

**(3) Application of the Post Office Savings Bank General Rules, 1981** – For matters not provided in these rules, the provisions of the Post Office Savings Bank General Rules, 1981 shall apply.

**(4) Types of accounts and matter connected therewith** :- (1) There shall be four kinds of accounts, namely, 1-year account, 2-year account, 3-year account and 5-year account in which a deposit can be made for a period of one year, two years, three years and five years respectively.

(2) The types of accounts, which may be opened, the persons by whom such accounts may be opened and other matters connected therewith shall be as specified.

**(5) Deposit and Repayment** :- (1) There shall be only deposit in an account. The deposit shall be in multiple of two hundred rupees. There is no maximum limit for the amount of deposit in an account.

(2) The deposit shall be repayable only after the expiry of the period for which it is made, namely, one year, two years three years or five years, as the case may be.

3) The repayment of a deposit under sub-rule (2) or payment of interest on a deposit under rule 7 or rule 8 or rule 9, as the case may be, shall be made by the Post office Savings bank at which the account stands, on the production of the pass book accompanied by a written application.

Provided that such repayment or payment of interest, as the case may be, shall not be made by an Extra Departmental Sub Savings Bank or Branch Savings bank except with prior sanction of the relevant Head Savings Bank or relevant Sub Savings Bank.

4) The amount of repayment of a deposit and payment of interest on a deposit shall be entered in the pass book over the signature of the Postmaster.

**(6) Re-deposit** : (1) Where a deposit in an account has become due for repayment, the depositor may re-deposit the amount in a new account to be opened, tendering his application for withdrawal of the original deposit in the prescribed form duly discharged.

(2) Subject to sub-rule (3) the date of re-deposit shall be date of withdrawal of the original deposit.

(3) (a) Where the re-deposit is made during the period specified in column (1) of the Table below and such re-deposit is for the period specified in the corresponding entry in column (2) thereof, the date of re-deposit shall be deemed to be the same as the date of maturity of the original deposit.

**Table**

Period elapsed between the date of maturity and the date of re-deposit	Minimum period of re-deposit
(1)	(2)
1. 6 months or less	1 year
2. More than 6 months and upto 12 months	2 years
3. More than 12 months and upto 18 months	3 years
4. More than 18 months	5 years

(b) In the case of re-deposit failing under item 4 of the Table if more than thirty months have elapsed after the maturity of the original deposit, the date of re-deposit shall be deemed to be the date preceding the date of withdrawal of the original deposit by thirty months.

**(7) Interest :** The deposit shall carry interest at the rate specified in the Table below and such interest shall be payable to the depositor at the end of each year in the period of deposit.

Provided that in the case of a deposit made before 23<sup>rd</sup> July, 1974, the rates of interest notified prior to that date by the Central Government from time to time for such deposit shall be applicable for the period of deposit upto and inclusive of the 22<sup>nd</sup> July, 1974 and the rates of interest specified in Table A below shall be applicable for any remaining period of deposit commencing from the 23<sup>rd</sup> July, 1974

2) Where the interest contains part of a rupee and if such part is 50 paise or more, it shall be rounded off to one complete rupee and if such part is less than 50 paise, it shall be ignored.

**TABLE - A**

**[For deposits made before the 1<sup>st</sup> March, 1978]**

Period of deposit	Rate of interest per annum
<b>1 Year</b>	<b>8per cent</b>
<b>2 Years</b>	<b>8.5per cent</b>
<b>3 Years</b>	<b>9 per cent</b>

**8per cent**

**TABLE - C**

**[For deposits made on or after the 1<sup>st</sup> October, 1979 but before the 2<sup>nd</sup> March 1981]**

<b>Period of deposit</b>	<b>Rate of interest per annum</b>
<b>1 Year</b>	<b>8 per cent</b>
<b>2 Years</b>	<b>8.5 per cent</b>
<b>3 Years</b>	<b>9 per cent</b>
<b>5 Years</b>	<b>10.5 per cent</b>

**TABLE - D**

**[For deposits made on or after the 2<sup>nd</sup> March, 1981 but before the 1<sup>st</sup> April, 1982 ]**

<b>Period of deposit</b>	<b>Rate of interest per annum</b>
<b>1 Year</b>	<b>8.5 per cent</b>
<b>2 Years</b>	<b>9.5per cent</b>
<b>3 Years</b>	<b>10.5 per cent</b>
<b>5 Years</b>	<b>10.5 per cent</b>

**TABLE - E**

**[For deposits made on or after the 1st April, 1982 but before the 1<sup>st</sup> March, 1983 ]**

<b>Period of deposit</b>	<b>Rate of interest per annum</b>
<b>1 Year</b>	<b>9 per cent</b>
<b>2 Years</b>	<b>9.75 per cent</b>
<b>3 Years</b>	<b>10.5 per cent</b>
<b>5 Years</b>	<b>10.5 per cent</b>

**TABLE - F**

**[For deposits made on or after the 1<sup>st</sup> March, 1983 but before the 10<sup>th</sup> May, 1985]**

<b>Period of deposit</b>	<b>Rate of interest per annum</b>
<b>1 Year</b>	<b>9 per cent</b>
<b>2 Years</b>	<b>9.75 per cent</b>
<b>3 Years</b>	<b>10.5 per cent</b>
<b>5 Years</b>	<b>11.5 per cent</b>

**TABLE -G**

**[For deposits made on or after the 10<sup>th</sup> May, 1985 but before the 1<sup>st</sup> April, 1987]**

<b>Period of deposit</b>	<b>Rate of interest per annum</b>
<b>1 Year</b>	<b>9.5 per cent</b>
<b>2 Years</b>	<b>10 per cent</b>
<b>3 Years</b>	<b>10.5 per cent</b>
<b>5 Years</b>	<b>11.5 per cent</b>

**TABLE - H**

[For deposits made on or after the 1<sup>st</sup> April, 1987 but before the 1<sup>st</sup> April, 1991]

Period of deposit	Rate of interest per annum
1 Year	9.5 per cent
2 Years	10 per cent
3 Years	10.5 per cent
5 Years	11 per cent

**TABLE - I**

[For deposits made on or after 1<sup>st</sup> April, 1991 but before the 1<sup>st</sup> October, 1991]

Period of deposit	Rate of interest per annum
1 Year	9.5 per cent
2 Years	10 per cent
3 Years	11 per cent
5 Years	11.5 per cent

**TABLE - J**

[For deposits made on or after the 1<sup>st</sup> October, 1991 but before the 16<sup>th</sup> December 1991]

Period of deposit	Rate of interest per annum
1 Year	10 per cent
2 Years	11 per cent
3 Years	13 per cent
5 Years	13.5 per cent

**TABLE - K**

[For deposits made on or after the 16<sup>th</sup> December 1991 but before the 2<sup>nd</sup> September 1993]

Period of deposit	Rate of interest per annum
1 Year	12 per cent
2 Years	12 per cent
3 Years	13 per cent
5 Years	13.5 per cent

**TABLE - L**

[For deposits made on or after the 2<sup>nd</sup> September, 1993 but before the 1<sup>st</sup> January, 1999]

Period of deposit	Rate of interest per annum
1 Year	10.5 per cent
2 Years	11 per cent
3 Years	12 per cent
5 Years	12.5 per cent

**TABLE - M**

[For deposits made on or after the 1<sup>st</sup> January, 1999 but before the 15<sup>th</sup> January, 2000)

Period of deposit	Rate of interest per annum
1 Year	9 per cent
2 Years	10 per cent

<b>3 Years</b>	<b>11 per cent</b>
<b>5 Years</b>	<b>11.5 per cent</b>

**TABLE - N**

**[For deposits made on or after the 15<sup>th</sup> January, 2000 but before the 1<sup>st</sup> March, 2001**

<b>Period of deposit</b>	<b>Rate of interest per annum</b>
<b>1 Year</b>	<b>8 per cent</b>
<b>2 Years</b>	<b>9 per cent</b>
<b>3 Years</b>	<b>10 per cent</b>
<b>5 Years</b>	<b>10.5 per cent</b>

**TABLE - O**

**[For deposits made on or after 1<sup>st</sup> March 2001 but before the 1<sup>st</sup> March, 2002]**

<b>Period of deposit</b>	<b>Rate of interest per annum</b>
<b>1 Year</b>	<b>7.5 per cent</b>
<b>2 Years</b>	<b>8 per cent</b>
<b>3 Years</b>	<b>9 per cent</b>
<b>5 Years</b>	<b>9 per cent</b>

**TABLE - P**

**[For deposits made on or after 1<sup>st</sup> March, 2002 but before 1<sup>st</sup> March, 2003]**

<b>Period of deposit</b>	<b>Rate of interest per annum</b>
<b>1 Year</b>	<b>7.25 per cent</b>
<b>2 Years</b>	<b>7.50 per cent</b>
<b>3 Years</b>	<b>8.25 per cent</b>
<b>5 Years</b>	<b>8.50 per cent</b>

**TABLE - Q**

**[For deposits made on or after 1<sup>st</sup> March, 2003]**

<b>Period of deposit</b>	<b>Rate of interest per annum</b>
<b>1 Year</b>	<b>6.25 per cent</b>
<b>2 Years</b>	<b>6.50 per cent</b>
<b>3 Years</b>	<b>7.25 per cent</b>
<b>5 Years</b>	<b>7.5 per cent</b>

**8. Premature withdrawal :** Premature withdrawal of a deposit may be allowed subject to the following conditions, namely :-

- (a) No deposit may be withdrawn before the expiry of six months from the date of deposit.

(aa) Where a deposit in a 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, no interest shall be payable to the depositor.

(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 two percent less than the rate specified for a deposit of 1 year 3 2 years or 3 years as the case may be, in the concerned Table under rule 7.

(c) Any interest already paid on the deposit under rule 7 shall be recovered from the amount of repayment of deposit and the interest payable under this rule.

**9. Post Maturity interest :-** Where repayment of the deposit under rule 7 has become due but has not been made, interest shall be allowed on the **amount due** for a maximum period of two years from the date of maturity to the date of repayment of the deposit subject to the following conditions, namely :-

- a) The interest shall be **simple** and shall be calculated at the rate applicable from time to time to savings accounts of the type of single or joint account.
- b) For the purpose of payment of interest, any part of the period which is less than one month shall be ignored.
- c) The interest shall be paid to the depositor in lump sum at the time of repayment of **amount due**.

**10) Pledging of Account :-** (1) Subject to sub-rules (2) to (7) on an application being made in the prescribed form by the transferor and the transferee, officer incharge of the Post Office Savings Bank where an account of the transferor stands may, at any time, during the currency of the account, permit transfer of the account as security to :-

- (a) the President of India or Governor of a State in his official capacity;
- (b) the Reserve Bank of India or a Scheduled bank or a co-operative society including a co-operative bank;
- (c) a corporation or a Government company; or
- (d) a local authority.

(2) Transfer under sub-rule (1) shall be permitted only in respect of the whole account and not for a part of it.

(3) Transfer of an account opened on behalf of a minor shall be permitted only if his guardian certifies that the minor is alive and the transfer is for the benefit of the minor.

(4) When an account is transferred under sub-rule (1), the Post Office Savings Bank shall make the following endorsement below the entry of the deposit in the pass book and also in the page of the pass book where the name and address of the depositor are written namely :

“Transferred as security to .....”

(5) Except as otherwise provided in the relevant rule, the transferee of an account under this rule shall, until it is re-transferred under sub-rule (6),b deemed to be the holder of the account.

(6) An account transferred under sub-rule (1) may, on the written authority of the pledger, be transferred with the previous sanction of the authorized Postmaster and

when such re-transfer is made, the Post Office Savings Bank shall make the following endorsement in the pass book at the places indicated in sub-rule (4), namely :-

"Re-transferred to ....."

7) The pass book shall be presented by the depositor or the transferee, as the case may be, to the Post Office Savings Bank for purpose of making endorsement under sub-rule (4) or (6).

11) **Procedure on the death of the depositor :-** (1) Subject to sub rules- (2) and (3), on the death of the depositor in a single account or of the surviving depositor in a joint account the procedure specified in rule 13 of the Post Office Savings Bank General Rules, 1981 shall apply.

(2) If there are not more than two surviving nominees or legal heirs, they may, at their option, continue the account and receive any outstanding amount of the deposit and interest in the manner provided for in these rules, as if they had opened the account themselves.

(3) Where the account is not continued under sub rule(2), it shall be closed and any deposit outstanding in the account shall be repaid with interest and such interest shall be allowed for the period for which the deposit has remained with the Post Office Savings Bank and the rate of such interest will ,notwithstanding anything contained in rule 8, be :-

(i) as specified under rule, 7, for the completed years not exceeding the period for which the deposit was made; and

(ii) for any period thereafter in completed months up to a maximum of twenty four months from the date of maturity, as specified from time to time for savings accounts of the type of single or joint account.

(4) On the death of the one of the depositors in a joint account the surviving depositor shall be treated as the sole owner of the account and he may continue the account or deal with it in the manner specified under sub-rule (3).

(5) On the death of the guardian of a minor or lunatic depositor, who opened the account, the new guardian may deal with the account in the manner specified under sub-rule (3) if the same is required in the interest of such depositor.

12. **Repeal and saving :-** (1) Their Post Office (Time Deposits) Rules, 1970 are hereby repealed.

(2) Notwithstanding such repeal anything done of any action taken under the rules so repealed shall be deemed to have been done or taken under the corresponding provisions of these rules or the Post Office Savings bank General Rules 1981.