

Amendment to Rule 4 of Post Office Saving Account Rule 1981 regarding opening of Pension Account

GOI, Ministry of Communication & IT Department of Posts No. 113-10/2004-SB (Pt) ltd. 20.06.2007 to All Heads of Circles / Regions, Addl, Director General, APS New Delhi with copy to all concerned.

1. This office is receiving number of references for allowing opening of Pension Account by Joint Holders. The matter was referred to Min. of Finance. Now item 3 of the table below Rule 4 (Pension Account) of Post Office Saving Account rules 1981 has been amended by MOF vide its notification dated. 11.07.2007 issued vide File No. 2/5/2006-NS-II.
2. As a result of this amendment a pensioner can now open pension account either individually or jointly with his or her spouse in whose favor an authorization for family pension exists in the Pension Payment Order. In case of withdrawal from joint pension account, either of the Joint account holders can make withdrawals.
3. At present, the retired employees of Railways, Telecom and Postal Departments can draw pension through pension accounts opened for this purpose. With this amendment, this restriction has been withdrawn. Now, retired employees of any Government department can draw pension through pension account. For this purpose, the department concerned will have to approach this office for acceptance of terms and conditions as laid down for Railways and Telecom Departments.
4. The existing Railway, Telecom and Postal pensioners can also convert their existing pension account into joint account. For this the procedure laid down for conversion of single saving account into joint saving account may be followed with the exception that the concerned Postmaster / Sub Postmaster will verify the name of joint holder (spouse) mentioned in revised SB-3 with that of PPO and ensure that this joint holder is the authorized person to draw family pension as mentioned in the PPO.
5. It is requested that this may kindly be brought to the notice of all post offices immediately for information. Guidance and necessary action.
6. These issues with the approval of DDG (FS).

Sd / -

(Kawal Jit Singh,)

Asst. S. Posts SB & CC.