

**No. FS-10/25/2021-FS-DOP**  
**Government of India**  
**Ministry of Communications**  
**Department of Posts**  
**(FS Division)**

Dak Bhawan, New Delhi  
Dated: 11.01.2022

To,  
All Head of Circles,

**Subject:-** Regarding input/suggestion on payment of TD/MIS/SCSS through account holder's Savings Account only ( either PO Savings Account or Bank Account).

This is in connection with periodic interest payment of TD/MIS/SCSS through Cash. Interest from TD/MIS/SCSS accounts in respect of account holders who don't opt for credit of interest in their savings account (PO/Bank) get credited in sundry office account. Interest is paid to the account holders when they attend post office for the same.

2. Payment of interest by cash mode is both cumbersome and has risk element involved. Customers also face difficulties especially during these COVID-19 times. Following issues have come to notice in respect of interest payment by cash mode: -

(i) Customers face loss of interest, in case interest is not withdrawn on due date in case of illness, outstation or otherwise. If interest is credited in their savings account, account holder may get interest on that interest amount.

(ii) Some account holders closed their TD/MIS/SCSS account, but are not aware about pending interest and some interest remain pending for payment.

(iii) In case of death of account holder, the nominee might not be aware about pending interest parked in sundry office account and that interest payment remains pending for payment.

(iv) Customers are required to fill multiple withdrawal form, if having multiple TD/MIS/SCSS interest. If interest is credited in their savings account they may get payment through one withdrawal form or through ATM without visiting post office.

(v) There may be chances for misappropriation of unpaid interest amount lying pending in sundry office accounts.

3. To overcome, above difficulties to depositors and better POSB operations, it is proposed that interest payment of MIS/TD/SCSS account is to be paid only, by crediting in to account holder's PO Savings Account or Bank Account.

4. I am directed to request you to provide your input to the proposal by 25.01.2022 for further further examination and necessary action.

5. This is issued with the approval of competent authority.

Yours Sincerely  
  
(Devendra Sharma)  
Assistant Director (SB-II)

Copy to :-

1. Shri Rajesh Panwar, Dy. Director (NS), Department of Economic Affairs, Ministry of Finance for kind information and valuable inputs.
2. Shri Rajiv Sagar, Joint Director & HOD, National Savings Institute, 4 Deendayal Upadhyay Marg, New Delhi for kind information and valuable inputs.