

Post Office Recurring Deposit Account (RD)

Interest payable, Rates, Periodicity etc.	Minimum Amount for opening of account and maximum balance that can be retained
From 01.04..2024 to 30.06.2024, interest rates are as follows:- <ul style="list-style-type: none">○ 6.7 % per annum (quarterly compounded)	Minimum INR 100/- per month or any amount in multiples of INR 10/-. No maximum limit.
<u>Salient features</u>	
<ul style="list-style-type: none">○ (a)Who can open :-<ul style="list-style-type: none">(i) a single adult(ii) Joint Account (up to 3 adults) (Joint A or Joint B)(iii) a guardian on behalf of minor(iv) a guardian on behalf of person of unsound mind(iv) a minor above 10 years in his own name.○ Note:- Any number of accounts can be opened.○ (b)Deposits :-<ul style="list-style-type: none">(i) Account can be opened by cash/cheque and in case of cheque the date of deposit shall be date of clearance of cheque.(ii) Minimum Amount for monthly deposit is Rs. 100 and above minimum in multiple of Rs. 10.(iii) Subsequent deposit shall be made up to 15th day of month, if account is opened up to 15th of a calendar month.(iv) Subsequent deposit shall be made up to last working day of month, if account is opened between 16th day and last working day of a calendar month.○ (c)Default :-<ul style="list-style-type: none">(i) If subsequent deposit is not made up to the prescribed day for a month, a default is charged for each defaulted month, default @ 1 rupee shall be charged for 100 rupee denomination account (proportionate amount for other denomination) shall be charged.(ii) If in any RD account, there is monthly default, the depositor has to first pay the defaulted monthly deposit with default fee and then pay the current month deposit.(ii) After 4 regular defaults, the account becomes discontinued and can be revived within two months from 4th default but if the account is not revived within this period, no further deposit can be made in such account and account became discontinued.(iii) If there are not more than four defaults in monthly deposits, the account holder may, at his option, extend the maturity period of the account by as many months as the number of defaults and deposit the defaulted installments during the extended period.○ (d)Advance deposit :-<ul style="list-style-type: none">(i) If an RD account is not discontinued can made advance deposit up to 5 years in an account.(ii) Rebate on advance deposit of at least 6 installments (inclusive of month of deposit), for Rs. 100 denomination rebate Rs. 10 for 6 month , Rs. 40 for 12 month(iii) The advance deposit may be made at the time of opening of the account or any time thereafter.○ (e)Loan :-<ul style="list-style-type: none">(i) After 12 installments deposited and account is continued for 1 year not discontinued depositor may avail loan facility up to 50% of the balance credit in the account.(ii) Loan can be repaid in one lump-sum or in equal monthly installments.(iii) Interest on loan will be applicable as 2% + RD interest rate applicable to the RD account.(iv) Interest will be calculated from date of withdrawal to date of repayment.(v) In case loan is not repaid till the maturity, loan plus interest will be deducted from the maturity value of the RD account.○ Note:- Loan can be taken by submitting loan application form with passbook at concerned Post Office.○ (f)Premature Closure :-<ul style="list-style-type: none">(i) RD Account can be closed prematurely after 3 years from the date of account opening by submitting prescribed application form at concerned Post Office.(ii) PO Savings Account interest rate will be applicable if the account is closed prematurely even one day before maturity.(iii) No premature closure of account shall be permissible until the period for which the advance deposits have been made.○ (g)Maturity :-<ul style="list-style-type: none">(i) 5 years (60 monthly deposits) from the date of opening.(ii) Account can be extended for further 5 years by giving application at concerned Post Office. Interest rate applicable during extension will be	

the interest rate at which account was originally opened.

(iii) Extended account can be closed any time during the period of extension. For completed years, RD interest rate will be applicable and for period less than a year, PO Savings Account interest rate will be applicable.

(iv) RD account can be retained up to 5 years from the date of maturity without deposit also.

○ **(h) Repayment on the death of account holder :-**

(i) On the death of account holder nominee/claimant can submit claim at concerned Post Office to get the eligible balance of such RD account.

(ii) After sanction of claim, Nominee/legal heirs can continue RD account till maturity by submitting application at the concerned Post Office.