CLOSURE OF NON CORE ACTIVITIES IN APS : SAVINGS BANK

1. Based on the recommendations of Committee of Experts, IHQ of MoD has approved downsizing of APS Corps as well as immediate closure of non core activities (Banking & Insurance) vide DGMO letter No 696697/71/MO5(T3R) dt 14 Sep 17.

2. At the time of issue of the above instrs, the POSB accounts standing at the CBPOs and FPOs were operating on Sanchay Post SW (on standalone mode) and it was not possible for Armed Forces depositors holding accounts at the FPOs to transfer their accounts to civil Post Office (PO) of their choice because of compatibility issue as most of the civil POs had already migrated to Core Banking Solution (CBS) platform. Moreover, the depositors had to approach the FPO where the account would be standing for making the transactions in their accounts and in case of their posting to another station, they had to transfer the account to the nearest FPO at his new place of posting. Thus, the depositors experienced difficulties in maintaining their accounts due to frequent postings. While proceeding on TD etc also they faced inconvenience in transacting their accounts.

3. Taking into consideration all above facts, APS Dte took up the case with Dept of Posts (DoP) to bring the FPO accounts on CBS platform of DoP. Consequently, 6,85,548 No of accounts (all types) out of total of 7,54,893 accounts were migrated to CBS from SOL (Service Outlet) IDs of 1&2 CBPOs during third week of Sep 2018 enabling the depositors of these accounts to avail the facility of anywhere banking across 25000 CBS enabled civil Post Offices. This has facilitated the depositors to carry out transactions at any of the CBS civil POs and also transfer their accounts to any such civil PO of their choice. After transferring their account to the civil PO, they can also avail the facilities of online banking and ATM cards on the lines of other nationalized banks.

4. However, 69,345 No of accounts that needed more scrutiny with the documents, were kept in non-CBS and these accounts will also be migrated to CBS platform by the end of May 2019. Post migration, the depositors of these accounts will also be able to avail the above facilities.

5. Since, the depositors are now able to transfer their accounts to 25000 civil POs operating on CBS, it has been decided to disband SB Sections at 1&2 CBPOs wef 01 Jul 2019. Hence, all Savings Bank activities at both the CBPOs will be stopped wef 15 Jun 2019.
6. In view of the above, it is requested that above info be disseminated to unit level advising all Armed Forces depositors holding POSB accounts in APS to apply at any of the 25000 CBS enabled civil POs (of their choice) for transfer of their accounts.

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DG AR
DG BR

for info and further dissemination of the info.