

FS-10/8/2022-FS-DOP
Government of India
Ministry of Communications
Department of Posts
(Financial Services Division)

Dak Bhawan, New Delhi – 110001

Dated: 29.09.2026

To

All Head of Circles

Subject: Revised Procedure for Interest Adjustment through HIARM Menu in Finacle CBS

Sir/Madam,

Kindly refer to SB Order No. 09/2022 dated 02.06.2022, SB Order No. 03/2024 dated 14.05.2024 and Rule 61 and Para 5 of Appendix XVI of the POSB CBS Manual (Corrected up to 31.12.2021) regarding the operation of the HIARM (Interest Adjustment Register Maintenance) menu in Finacle CBS for carrying out interest adjustment in POSA, PPF, SSA, NSS-87, NSS-92, MIS or SCSS scheme.

2. The HIARM menu is used for processing interest adjustments in the above POSB schemes based on the sanction accorded by the competent authority. Under the existing procedure, the interest adjustment entries created by the SBCO Supervisor are not subjected to a second-level verification in the system and they are auto verified in the system.
3. With a view to strengthening internal controls, enhancing accountability, and preventing unauthorized or erroneous interest adjustments, a second level validation has been introduced in the HIARM menu. The revised functionality also incorporates enhanced system validations, jurisdiction-based access controls i.e., HO SOL and CPC SOL, and monitoring reports. Accordingly, a consolidated **Standard Operating Procedure (SOP)** for operation of the HIARM menu is enclosed herewith.
4. The procedure prescribed in the enclosed SOP shall henceforth be followed for processing interest adjustment cases through the HIARM menu. **Accordingly, the procedure for the operation of the HIARM menu under Rule 61 and Para 5 of Appendix XVI of the POSB CBS Manual (Corrected up to 31.12.2021) stands modified.** This SOP shall supersede all earlier instructions on the operation of the HIARM menu by SBCO to the extent covered by this SOP.
5. The Circles shall ensure that this SOP is circulated to all concerned offices for information, guidance and necessary action.
6. This issues with the approval of the Competent Authority.

Yours faithfully,


(Devender Kumar Sharma)
Assistant Director (SB-II)

Copy to:-

1. Sr. PPS to Secretary (Posts)
2. Sr. PPS to Director General Postal Services
3. PPS / PS to Member (Financial Services) / Member (O) / Member (P) / Member (HRD) / Member (Tech) / Member (Service Quality and Marketing), Member (Infrastructure), AS & FA
4. Addl. Director General, APS, New Delhi
5. Chief General Manager, BD Directorate / Parcel Directorate / PLI Directorate
6. CGM, CEPT for kind information and necessary action
7. Sr. Deputy Director General (Vig) & CVO) / Sr. Deputy Director General (PAF)
8. Director, RAKNPA / Directors of all PTCs
9. Director, CPRC Chennai
10. Director General P & T (Audit), Civil Lines, New Delhi
11. Secretary, Postal Services Board / All Deputy Directors General
12. All General Managers (Finance) / Directors Postal Accounts / DDAP
13. The Joint Director & HOD, National Savings Institute, ICCW Building, 4 Deendayal Upadhyay Marg, New Delhi-110002
14. The Under Secretary, MOF (DEA), NS-II Section, North Block, New Delhi
15. All recognized Federations / Unions / Associations
16. Guard File / e-File


(Devender Kumar Sharma)
Assistant Director (SB-II)

Standard Operating Procedure (SOP) for Interest Adjustment through **HIARM** Menu

Reference: SB Orders No. 09/2022 dated 02.06.2022 | SB Order No. 03/2024 dated 14.05.2024| Rule 61 and Para 5 Appendix XVI POSB CBS Manual Corrected up to 31.12.2021

1. Purpose and Scope

The HIARM (Interest Adjustment Register Maintenance) menu is provided in Finacle CBS for carrying out interest adjustments in POSA, PPF, SSA, NSS-87, NSS-92, MIS or SCSS schemes. At present, interest adjustment entries are created by the SBCO Supervisor on the approval of the competent authority. However, these entries are not subjected to a second level verification in the system, and they are auto verified in the Finacle system. With a view to strengthening internal controls, ensuring segregation of duties, enhancing accountability, and preventing unauthorized or erroneous interest adjustments, a Maker–Checker mechanism has now been introduced in the HIARM menu. Consequently, the procedure for operation of the HIARM menu is revised as detailed below.

Note: The HIARM menu shall be used exclusively for adjustment of interest in Post Office Savings Bank Accounts. Adjustment of “Principal” amount through HIARM menu is not permitted. (Refer SB Order No. 03/2024.)

2. Maker–Checker Mechanism for Interest Adjustment through HIARM Menu

- i. The HIARM menu, henceforth, shall operate under a Maker–Checker mechanism.
- ii. Interest adjustment entries shall be initiated (Maker) only by the SBCO Supervisor of the concerned Head Office for the accounts standing at the HO and its SOLs under the jurisdiction of the concerned HO.
- iii. Verification (Checker) of HIARM entries shall be carried out exclusively by the CPC Supervisor of the concerned Circle.

3. Approval of Competent Authority before commencement of Interest Adjustment.

- i. HIARM (Interest Adjustment Register Maintenance) is a menu available in Finacle CBS for carrying out interest adjustments in POSB accounts. Any interest adjustment made through HIARM is accounted under the relevant interest head. Therefore, interest adjustment through HIARM shall be undertaken only based on written approval or sanction issued by the competent authority.
- ii. If any adjustment is required in the interest payable or recoverable in any POSB account maintained in a Head Office or Sub Office, the Head Postmaster concerned shall

examine the case and verify the facts and records. The matter shall, thereafter, be referred to the Divisional Head along with full details of the discrepancy and proposed correction. The **Divisional Head** shall, after conducting such enquiry as deemed necessary, approve or reject the proposed adjustment.

iii. In respect of accounts standing in **Gazetted Head Offices, other than accounts standing in SOs under its jurisdiction, such approval shall be accorded by the Gazetted Postmaster, Senior Postmaster, Assistant Director, Deputy Director, Chief Postmaster or Director GPO**, as the case may be, in accordance with the existing instructions.

iv. A copy of the approval/sanction shall be forwarded to the concerned SBCO and Circle CPC through the official e-mail ID. The original approval shall also be forwarded through post for record.

4. Role of SBCO Supervisor (As Maker)

i. On receipt of approval from the competent authority, before creating the HIARM entry, the SBCO Supervisor shall verify the correctness of account particulars; amount of interest adjustment; applicable date; scheme details; and other relevant parameters mentioned in the sanction order.

ii. The **SBCO Supervisor** can Add, Modify and Inquire HIARM entries only for accounts maintained in the concerned Head Office and its subordinate Post Offices. A 'DEL' check box is available to the SBCO Supervisor for deleting an unverified HIARM entry.

iii. The system shall not permit operations on accounts outside the jurisdiction of the concerned Head Office. An error message, “***Account does not belong to the respective jurisdiction***”, shall be displayed, if entry is made for an account outside the jurisdiction of the concerned Head Office.

iv. The SBCO Supervisor User ID should be mapped only with the concerned Head Office SOL ID for initiating HIARM entry. If the SBCO Supervisor User ID is mapped to any Sub Office SOL, the system shall display the error “***User does not belong to HO.***”

v. The SBCO Supervisor shall not be permitted to create a fresh HIARM entry for an account if an unverified HIARM entry already exists for that account. In such cases, the system shall display the error message “***Unverified record exists for this account.***”

vi. The CANCEL function has been removed for the SBCO Supervisor and, therefore, a freshly created/unverified HIARM entry can only be inquired or modified by the SBCO Supervisor.

vii. The SBCO Supervisor shall maintain the prescribed Interest Adjustment Register and preserve all sanction orders, calculation sheets, email communications, HIARM references, verification details and HACINT references in a guard file for audit and inspection for the prescribed period.

viii. The register of interest adjustment cases shall be maintained by SBCO of the concerned Head Office, in the format enclosed as **Annexure-I**, and the details of all approved cases shall be entered in the above register immediately after receipt of the sanction order.

ix. Upon receipt of the sanction order, the SBCO Supervisor shall invoke the HIARM menu in Finacle and enter the details of adjustment:

a. For adjustment of interest, the amount, that need to be corrected, shall be entered against the concerned account.

b. The amount of interest adjustment shall not exceed the system-configured threshold limit of **Rs. 5,00,000**. Where the entered amount exceeds the prescribed limit, the system shall display the error "The adjusted amount entered exceeds the allowed threshold limit."

c. If amount above the threshold limit is required to be adjusted, the matter shall be referred to **CPRC, Chennai** through official email id along with sanction memo and related documents for relaxing the threshold parameters.

d. For SCSS and MIS accounts, only the Begin of Day(BOD) shall be entered as the applicable date.

e. For Savings Accounts (SBA), either the BOD or 31st March of the previous financial year shall be accepted as the applicable date. Future dates shall not be permitted.

f. The Run Indicator value shall be automatically defaulted as CR.

g. A single HIARM entry shall suffice for debit or credit adjustment.

x After creation of the HIARM entry, the SBCO Supervisor shall submit the details of the HIARM entry along with a copy of the sanction order to the Head Postmaster. The Head Postmaster shall thereafter send an email from the departmental official email account to the concerned Circle CBS-CPC requesting verification of the HIARM entry and updation of balances, wherever applicable. The email shall contain the particulars of the correction made and shall be accompanied by a scanned copy of the sanction order issued by competent authority for reference and necessary action.

xi. In case the HIARM entry is rejected by CPC, the SBCO Supervisor shall rectify the deficiencies and resubmit the corrected entry to the Circle CPC through the Head Postmaster for verification.

xii. On receipt of the intimation from the concerned CBS-CPC regarding completion of verification of the HIARM entry and execution of HACINT, wherever applicable, the SBCO Supervisor shall record the Transaction ID in the Interest Adjustment Register and complete the register by obtaining the signature of the Postmaster against the respective entry.

5. Role of CPC Supervisor (As Checker)

Verification of HIARM entries shall be carried out exclusively by the CPC Supervisor of the concerned Circle.

I. The CPC Supervisor is authorized only to Inquire and Verify HIARM entries. Modification or deletion of any HIARM record by the CPC Supervisor is not permitted.

II. The CPC Supervisor User ID is mapped to the designated Circle CPC SOL ID. If the User ID is not mapped to the CPC SOL SET, the system shall display the error “**User does not belong to Circle CPC SOL ID.**”

III. Verification of a HIARM entry has been restricted to accounts falling within the jurisdiction of the concerned Circle. Where verification is attempted by the CPC Supervisor for an account outside the Circle jurisdiction, the system shall display the error “**Account does not belong to the respective circle.**”

IV. On receipt of the communication/email from the Head Postmaster HO along with the sanction order and supporting documents, the CPC Supervisor shall verify the particulars of the case with reference to the sanction order, account details, applicable date, amount of adjustment and other relevant system validations.

V. If the HIARM entry, made by the SBCO Supervisor, is found to be in order, the CPC Supervisor shall verify the entry in Finacle.

VI. If any discrepancy is noticed, the CPC Supervisor shall reject the HIARM entry and communicate the reasons for rejection to the Head Postmaster through the official email.

VII. After rectification of the deficiencies by the SBCO Supervisor, the corrected HIARM entry shall be resubmitted through the Head Postmaster by reply email to the concerned CPC for verification. Such rectified entry shall be checked and verified by the CPC Supervisor in Finacle. This verification of the entry should be completed within 3 days from the date request received from the HO concerned.

VIII. The CPC Supervisor shall maintain the prescribed Interest Adjustment Register also as per the format given in **Annexure-I** and update on every HIARM entry verification. The CPC Supervisor shall preserve all sanction orders, calculation sheets, email communications, HIARM references, verification details and HACINT references in a guard file for audit and inspection.

6. Execution of HACINT and Post-Verification Process

- i. After successful verification of the HIARM entry, the concerned Circle CBS-CPC shall execute the HACINT menu, wherever applicable, in accordance with the procedure prescribed under SB Order No. 09/2022.
- ii. In respect of Post Office Savings Accounts, PPF, SSA, NSS-87 and NSS-92 accounts (SBA), execution of HACINT shall be mandatory for updation of the account ledger. The effect of the interest adjustment shall be reflected only after successful execution of HACINT.
- iii. On completion of HACINT, or on completion of verification where HACINT is not required, the CBS-CPC shall intimate the Head Postmaster through reply email. The Head Postmaster shall, in turn, forward the confirmation to the SBCO Supervisor for updating the Interest Adjustment Register by recording the Transaction ID and obtaining the signature of the Postmaster.
- iv. CBS-CPCs shall regularly monitor pending HIARM entries, verified cases and HACINT requests through the prescribed reports. Any suspicious, irregular or unusual interest adjustment noticed during verification, processing or monitoring shall immediately be brought to the notice of the Divisional Head under intimation to the Regional Office and Circle Office.

Note 1: After making entries in the HIARM menu, execution of the HACINT menu in Finacle is mandatory for getting the ledgers of the accounts concerned updated. The execution of the HACINT menu has already been decentralized to CBS-CPCs.

Note 2: The entries or corrections made through the HIARM menu are updated in the account ledger as “Consolidated Interest Payment”. **Accordingly, use of HIARM shall be restricted only to genuine cases requiring interest correction and shall not be used in a routine manner.**

7. Preservation of Record:

All sanction orders, calculation sheets, email communications, HIARM references and HACINT execution details shall be preserved by the SBCO for audit and inspection purposes for a period of 5 years from the date of Completion of Interest Adjustment activity. The CBS-CPC shall also maintain a guard file containing sanction orders issued by the competent authority for a period of 5 Year from the date of Completion of Interest Adjustment activity.

8. Reports made available in Finacle:

A new report titled “HIARM Consolidated Report” has been made available under the HFINRPT menu. “HIARM Consolidated Report (Maker)” is available for the SBCO Supervisor

and “HIARM Consolidated Report (Checker)” is available for the CPC Supervisor, and the report may be generated using the HO SET ID or Circle SET ID respectively. These reports shall be utilized by Circle Offices, Regional Offices, Divisional Offices and CBS-CPCs for monitoring of interest adjustment activities.

9. Detail of System Error Messages:

S No	Condition	System Error Message
1	Account outside HO jurisdiction	“Account does not belong to the respective jurisdiction”
2	SBCO User mapped to SOL other than HO	“User does not belong to HO”
3	Account outside Circle jurisdiction	“Account does not belong to the respective circle”
4	CPC User not mapped to CPC SET	“User does not belong to Circle CPC SOL ID”
5	Existing unverified record	“Unverified record exists for this account”
6	Threshold exceeded	“The adjusted amount entered exceeds the allowed threshold limit”

A. Interest Adjustment Register by SBCO (HIARM Menu)

[illegible]

B. IB. Interest Adjustment Register by CPC (HIARM Verification)

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