
GPF Guidelines (MP Govt. Subscribers)

1. Definition of Family as per General Provident Fund Rule?

a. In the case of a male subscriber, the wife or wives, parents, children, minor brothers, unmarried sisters, deceased son's widow and children and when no parents of the subscriber is alive, paternal grandparents, children of a subscriber, and the widow, or widows.

b. In the case of a female subscriber, the husband, parents, children, minor brothers, unmarried sisters, deceased son's widow and children and where no parents of the subscriber is alive, paternal grandparents and children of the subscriber, and the widow or widows and children of a deceased son of the subscriber.

A female subscriber can exclude her husband from the list of Family Members. Rule 2(c) (ii).

2. Is an adopted child a member of the family?

Yes, if under the personal law of the subscriber, adoption is legally recognized as conferring the status of a natural child. A child of one person given in adoption to another is not a member of the formers family. Notes 2 & 3 under Rule 2(c))

3. Who is eligible to join the Fund?

All Govt. servants whose conditions of service, the Govt. of M.P. is competent to determine with exception of those who are on contract or on re-employment shall be eligible to join the fund. Govt. servants who joined on or after 1.1.05 are not eligible for General Provident Fund. Provident Fund A/c. of Group 'D' employees, Patwaris, Constables are maintained departmentally hence called D.P.F.

4. What is the minimum amount of subscription?

The minimum rate of monthly subscription payable by the subscriber shall be not less than 12% of the emoluments but not exceeding his emoluments. Rule 11,

5. What is the maximum limit of subscription?

The subscriber cannot alter the rate of subscription during the financial year. The subscriber shall intimate the fixation of the amount of his subscription in each year in the month of March (if he was on duty during the month of March) provided that such subscription conforms to the minimum and maximum limits. The amount of subscription so fixed shall remain unchanged during the year. (Rule 11(1), (3) & (4)

6. How many GPF Accounts can a subscriber have?

Unlike insurance policies, a government servant can have only one GPF Account.

7. How is subscription to GP Fund recovered?

a. When emoluments are drawn from a government Treasury, recovery of subscriptions and advances shall be made from the emoluments themselves. b. When emoluments are drawn from any other source, the subscriber shall remit his dues monthly to the Accounts Officer i.e. A. G. Office. c. In the case of a subscriber on deputation to a body corporate owned or controlled by Government, the subscription shall be recovered and forwarded to the Accounts Officer (i.e., A.G.(A&E)-I/ A.G.(A&E)-II Madhya Pradesh Bhopal or Gwalior as the case may be) such body. (Rule 13 (1), (2))

8. When can a subscriber stop subscription to the fund?

Subscriptions to the Fund shall be stopped four months prior to the date of retirement on superannuation of the subscribers. Rule 10

Subscription shall be stopped during suspension, and at his option during half pay leave for whole month or leave without pay / dies-non for at least half of the month. Rule 10(1)

9. Why should a subscriber make a nomination?

By making a nomination in the form in GPF 3 (subscriber having family) or GPF 3A (subscriber not having family) as the case may be, set forth in the First Schedule to the MPGPF Rules, the subscriber can confirm on one or more persons the right to receive the amount that may stand to his credit in the Fund in the event of his/her death before that amount has become payable or having become payable has not been paid. The subscriber can cancel a nomination any time by sending a notice in writing to the Head of the Office. Rule 8(1) and 8(4)

10. Can a subscriber nominate more than a person?

Yes, but the subscriber should specify the share payable to each nominee in such a manner as to cover the whole of the amount that may stand to his credit in the Fund (Rule 8.2)

11. Is nomination made by Christian and Mohammedan subscribers in favor of an adopted child acceptable?

Since adoption is not recognized under Christian/ Mohammedan Law, a subscriber having family shall make nomination in favour of family member(s) only an adopted child is not a member of family.

12. What is the procedure for filing nominations for new subscribers to General Provident Fund i.e. subscribers who have been admitted after the introduction of Compulsory PF?

Soon after becoming a member of GPF, a subscriber shall submit a nomination in Form GPF-3 or GPF -3A as the case may be in quadruplicate to the Head of the Office. These nominations shall be received and accepted by the Head of the Office and should be kept in the safe custody of Head of Office along with the nomination of DCRG etc. after making entries in the Service Records. Rule 8(1)(b)

In the event of the transfer of the subscriber to other office, his nomination will also be transferred to the new office.

While finalizing death cases of Subscribers the Heads of Office has to forward the respective nominations (in original) along with the application for final withdrawal after retaining an attested copy. Rule 8(1)(e)

13.Can a subscriber nominate any person other than a family member?

A subscriber with a family cannot nominate a person who is not a member of his family. A subscriber with a family consisting of more than one member is also debarred from nominating a person who is not a member of his family as an alternative nominee. Column-6 of the form should be filled in with the name, address and relationship of alternative nominee including share in the absence of which the column should be filled in with the words "none at present".

A subscriber with a family consisting of one member only may, however, nominate a non-family person as an alternative nominee. But in such a case specific cause to the effect that power conferred upon the alternative nominee will cease as soon as another family member is acquired, is to be inserted in column-6 of the nomination form below the name of the alternative nominee.

A subscriber having no family can, however, nominate any person he may choose. The reasons for nominating any person other than the family members should be indicated.

14.What are the purposes for which advance from General Provident Fund can be sanctioned?

Advances can be sanctioned to meet the expenditure in connection with: -

- a. to pay expenses, including travelling expenses incurred in connection with the serious or prolonged illness of the applicant, any members of the applicant's family or any person actually dependent on the applicant
- b. to pay expenses incurred in connection with the confinement of the applicant or applicant's spouse provided that the applicant does not have more than two living children.
- c. to meet the cost of education including travelling expenses, outside India of the applicant, any member of the applicant's family or any person actually dependent on the applicant.

- d. to meet the cost of education including travelling expenses, of the applicant, any member of the applicant's family or any person actually dependent on the applicant in a technical or a specialized course in India beyond the high school stage.
- e. to pay obligatory expenses on a scale appropriate to the applicant's status, which by customary usage, the applicant has to incur in connection with a social or religious ceremony.
- f. to make good the loss of government money.
- g. to meet the expenses in connection with the defense of the subscriber in a criminal case.
- h. to meet the cost of legal proceedings instituted by the applicant for vindicating the applicant's position in regard to any allegation made against the applicant in respect of any act done or purported to have been done by the applicant in the discharge or applicant's official duty, the advance in this case being available in addition to any advance admissible for the same purpose from any other government source.
- i. to meet the cost of defense of the applicant when proceedings are initiated by a private party in a court of law against the applicant in respect of matters connected with the applicant's official duties.
- j. to pay the amount of Security Deposit which is required from a subscriber under the rule 282 of M.P. Financial code Vol. I and
- k. to meet the cost of or to make advance payment toward the allotment of a plot, flat or house for residential purpose. Rule 15. (1)

15. How is an advance recovered?

An advance shall be recovered from the subscriber in such number of monthly installments as the subscriber may elect subject to the maximum number of installments 36. Rule 16 (2)

16. When and how can a Part Final Withdrawal (PFW) be allowed?

The competent authorities may sanction PFW any time after the subscriber completes fifteen years of service or within ten years before retirement, whichever is earlier and any time after the completion of ten years of service for specific purposes mentioned in Rule 16-A (1)(B). Rule 16 A.

17. What are the purposes for which PFW is allowed?

PFW is permissible for the following purposes: -

(A) After the completion of 15 years of service (including broken periods of service, if any) of a subscriber or within ten years before the date of his retirement on Superannuation, whichever is earlier, from the amount standing to his credit in the fund, for one or more of the following purposes, namely

a. meeting the cost of higher education, including where necessary, the travelling expenses of the subscriber or any child of the subscriber in the following cases namely:

(i) for education outside India for academic, technical, professional or vocational course beyond the High School stage and;

(ii) for any medical, engineering or other technical or specialized course in India beyond the High School Stage;

b. Meeting the expenditure in connection with the betrothal/ marriage of the subscriber or his sons or daughters and any other female relations actually dependent on him.

c. meeting the expenses in connection with the illness, including where necessary the travelling expenses of the subscriber and members of his family or any person actually dependent on him.

d. Meeting the expenditure in connection with Haj Yatra.

(B) after the completion of 10 years of service (including broken periods of service, if any) of a subscriber or within ten years before the date of his retirement on superannuation, whichever is earlier, from the amount standing to his credit in the fund for one or more of the following purposes:

a. building or acquiring a suitable house or ready built flat for his residence including the cost of site

b. repaying an outstanding amount on account of loan expressly taken for building or acquiring a suitable house or ready built flat for his residence.

c. purchasing house site for building a house thereon for his residence or repaying any outstanding amount of loan expressly taken for this purpose;

d. reconstructing or making additions or alterations to a house or a flat already owned or acquired by a subscriber;

e. renovating, additions or alterations or up keep of an ancestral house at a place other than the place of duty or to a house built with assistance of loan from Government at a place other than the place of duty.

f. constructing a house on a site purchased under sub-clause ©

C) Acquiring a farm land or business premises or both within six months before the date of the subscriber's retirement. Rule16-A

D) Within twelve months before the date of subscriber's retirement on superannuation without linking to any purpose.

18.Can an advance be converted into Partial Final Withdrawal?

Yes, conversion of the Temporary GPF Advances drawn into PFW is permissible. Rule 16-C.

19. When does GPF amount become finally payable?

The GPF amount to the credit of a subscriber becomes finally payable on following occasions: -

- a. Retirement on superannuation
- b. Death while in service (payable to nominees/legal heir).
- c. Dismissal, removal, compulsory retirement or invalidation from service. Provided that a subscriber who has been dismissed or removed from service and is subsequently reinstated in service shall, if required to do so by the Government, repay the amount paid to him with interest thereon at the rate provided in Rule.14.
- d. Resignation. Provided that in the event of resignation to take up appointment under another Department of a Government or a body corporate owned or controlled by Government, the balance in the Fund will be transferred.
- e. Voluntary Retirement.
- f. When the subscriber is transferred to serve under a body corporate owned by the Government, the amount of subscriptions together with interest thereon, shall be transferred to his new P.F. Account under that body if that body maintains a fund and agrees to such transfer.

20. What is the procedure for final withdrawal of accumulation in the Fund?

When a subscriber retires, resigns, dies or is dismissed or removed from service, the Head of the Office should immediately report the fact to concerned Accountant General and submit the claim for final payment of GPF money at his credit in the form prescribed in the Fifth schedule duly amended by Govt. of Madhya Pradesh vide notification No. G-25-1/2000/C/4 dt. 11.4.2000. Note 3 below Rule 29.

21. What are other documents required to be furnished by the Heads of Office?

The Head of Office has to send

- (a) Certified original GPF Pass Book
- (b) Details of incumbency of the subscriber
- (c) Details of deductions towards GPF for last 12 months prior to his retirement/ death/ resignation in case Pass Book is not available
- (d) Statement of Part Final withdrawal sanctioned and paid from 5.6.72 to date of quitting service.
(from 5.6.72 to date of retirement / death).

22. Who allots GPF Account number and what is the procedure?

GPF Account number to an eligible subscriber is allotted by Office of the AG (A&E)-I/II, M.P. The account number is issued on the basis of a report sent by the concerned Head of the Office in a prescribed format after due verification of the details with departmental records.

23. What is the definition of emoluments for the purpose of GPF?

Emoluments mean pay, leave salary or subsistence grant as defined in the Service Rules, and any remuneration of the nature of pay received in respect of foreign service.