
Final Withdrawal of Accumulations in The Fund (MP GPF Rule)

29. When a subscriber quits the service, the amount standing to his credit in the Fund shall become payable to him.

Provided that a subscriber who has been dismissed or removed from the service and is subsequently reinstated in the service, shall, if required to do so by Government, repay any amount paid to him from the Fund in pursuance of this rule, with interest thereon at the rate provided in rule 14 in the manner provided in the proviso to the rule 30. The amount so repaid shall be credited to his account in the Fund.

NOTE:- (1) A subscriber, re-employed in Government service after retirement, is considered to have quitted service from the date of retirement, even though his re-employment may have been in continuation of his active service without break.

NOTE:- (2) A subscriber cannot be considered to quit Government service finally when he resigns service under one Government to take up service under another or when he transfers his service from one branch of Government to another. Consequently, a subscriber to any Provident Fund is not entitled to the refund of his deposits in such circumstances if the rules governing the Provident Fund do not permit of the final withdrawal of deposits until he has quitted Government service. In such cases interest shall be calculated under Rule 14(4) and the amount together with interest shall be transferred.

NOTE: -2A: - In respect of calculation of interest and final payment of General Provident Fund Fund money at his credit, the Government servant resigning Government service to take up appointment under a body corporate, owned or controlled by Government, will be subject to the provision of note 2 above, if that body maintains a fund and agrees to such transfer."

NOTE: - When a non-gazetted subscriber retires, resigns, dies or is dismissed or removed from service or proceeds on leave preparatory to retirement, the head of the office should immediately report the fact to the Account Officer and submit the claim for final payment of Provident Fund money at his credit to the Account Officer in the form prescribed in the Fifth Schedule. The same form should be used also for claims of withdrawal of Provident Fund money of a Gazetted Officer If any of the particulars or documents required cannot be furnished at once they should be sent as early thereafter as possible but the report of the event should not be delayed on that account.

30. When a subscriber: -

(a) has proceeded on leave preparatory to retirement, or, if he is employed in a vacation department, on leave preparatory to retirement combined with vacation, or

(b) while on leave, has been permitted to retire or been declared by a competent medical authority to be unfit for further service, or

(c) has attained the age of superannuation but has not been permitted to retire from service owing to some reason or other, the amount standing to his credit in the Fund shall, upon application made by him in that behalf to the Account Officer, become payable to the subscriber.

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Provided that if the subscriber returns to duty, the subscriber shall, except where the administrative department decides otherwise, repay to the fund, for credit to the subscriber's account the whole amount paid to the subscriber from the Fund is pursuance of this rule.

Note: - When vacation precedes the leave preparatory to retirement, the amount standing at the credit of subscriber shall upon application made to the Account Officer, become payable at any time between the commencement of such vacation and the date of actual retirement.

31. On the death of a subscriber before the amount standing to his credit has become payable, or where the amount has become payable, before payment has been made: -

(i) When the subscriber leaves a family: -

(a) if a nomination made by the subscriber in accordance with the provisions of rule 8 or of the corresponding rule heretofore in force in favour of a member or members of his family subsists, the amounting standing to his credit in the Fund or the part thereof to which the nomination relates shall become payable to his nominee or nominees in the proportion specified in the nomination;

(b) If no such nomination in favour of a member or members of the family of the subscriber subsists, or if such nomination relates only to a part of the amount standing to his credit in the Fund, the whole amount or the part thereof to which the nomination does not relate, as the case may be, shall, notwithstanding any nomination purporting to be in favour of any person or persons other than a member or members of his family, become payable to the members of his family in equal shares;

provided than share shall be payable to: -

(1) sons who have attained legal majority;

(2) sons of a deceased son who have attained legal majority;

(3) married daughters whose husbands are alive;

(4) married daughters of a deceased son whose husbands are alive;

if there are any members of the family other than those specified in clauses (1), (2), (3) and (4):

Provided further that the widow or widows and the child or children of a deceased son shall receive between them in equal parts only the share which that son would have received if he had survived the subscriber and had been exempted from the provisions of clause (1) of the first proviso;

(ii) when the subscriber leaves no family, if a nomination made by him in accordance with the provisions of rule 8 or of the corresponding rule heretofore in force in favour of any persons subsists, the amount standing to his credit in the Fund or the part thereof to which the nomination relates, shall become payable to his nominee or nominees in the proportion specified in the nomination.

32.(1) When the amount standing to the credit of a subscriber in the Fund becomes payable, it shall be duty of the Account Officer to make payment, as provided in section 4 of the Provident Fund Act, 1925.

(2) If the person to whom under these rules, any amount or policy is to be paid, reassigned or delivered, is a lunatic for whose estate a manager has been appointed in this behalf under the Indian Lunacy Act, 1912, the payment, reassignment or delivery will be made to such manager and not to the lunatic.

(3) Payment of the amount withdrawn shall be made in India only. The persons to whom the amounts are payable shall make their own arrangements to receive payment in India. The following procedure shall be adopted for claiming payment by a subscriber, namely: -

(i) A subscriber may submit an application to Accounts Officer through the Head of Office or Department for payment of the amount in the Fund, at least one year in advance of the date of superannuation. The application may be made for the amount standing to his credit in the Fund as indicated in the Accounts Statement for the year ending one year prior to his superannuation or for the amount as indicated in his ledger account, in case the accounts statement has not been received;

(ii) The Head of Office/Deptt. shall forward the application to the Accounts Officer indicating the advances which are still current and the number of instalments yet to be recovered in respect of each advance and also indicate the withdrawals if any, taken by the subscriber;

(iii) The Account Officer shall after verification with the ledger account issue an authority for the amount indicated in the application at least a month before the date of superannuation but payable on the date superannuation.

(iv) The Account authority mentioned in clause (iii) will constitute the first instalment of payment. A second authority for payment will be issued as soon as possible after superannuation. This will relate to the contribution made by the subscriber subsequent to the amount mentioned in the application submitted under clause (i) plus the refund of instalments against advances which were current at the time of the first application.

(v) After forwarding the application for final payment to the Accounts Officer, advance/withdrawal may be sanctioned but the amount of advance/withdrawal shall be drawn on an authorization from the Accounts Officer concerned who shall arrange this as soon as the formal sanction sanctioning authority is received by him.

NOTE: -When the amount standing to the credit of a subscriber has become payable under rule 29,30 or 31. The Accounts Officer shall authorize prompt payment of the amount in the manner indicated in sub-rule (3)"

33.(a) If a Government servant who is a subscriber to any other Government Provident Fund which is a non-contributory provident fund, is permanently transferred to pensionable service under the Government of Madhya Pradesh, the amount of subscriptions together with interest thereon standing to his credit in such other fund at the date of transfer shall with the consent of the other Government concerned be transferred to his credit in the fund.

(b) If a Government servant who is a subscriber to the Railway Provident Fund, the Contributory Provident Fund (India) the Contributory Provident Fund (Madhya Pradesh), or any other State Contributory Provident Fund, is permanently transferred to pensionable service under the Government of Madhya Pradesh and elects or, is required to earn pension in respect of such pensionable service:

(i) The amount of subscriptions, with interest thereon, standing to his credit in such contributory provident fund at the date of transfer shall, with the consent of the other Government, if any, be transferred to his credit in the Fund;

(ii) the amount of Government contributions, with interest thereon, standing to his credit in such contributory provident fund shall, with the consent of the other Government, if any, be repaid to the State Government, and credited to its revenues; and

(iii) he shall in exchange be entitled to count towards pension such part of the period during which he subscribed to such contributory provident fund as the Government of Madhya Pradesh may determine.

(c) "If a Government servant admitted to the benefit of the fund was previously a subscriber to any Provident Fund of a body corporate owned or controlled by Government or an autonomous organization registered under the Societies Registration Act, 1860, the amount of his subscription and the employer's contribution if any together with interest thereon shall be transferred to the credit in the Fund with the consent of that body."

34. If a subscriber to the Fund is subsequently admitted to the benefits of the Contributory Provident Fund (Madhya Pradesh), the amount of his subscriptions, together with interest thereon, shall be transferred to the credit of his account in the Contributory Provident Fund (Madhya Pradesh).

NOTE-1: - Procedure to be adopted when a will is left by a deceased subscriber, which purports to dispose of his accumulations in the Fund or any part of these. The Government desire that references should be made to them except in the following cases: -

(a) When the Accounts Officer, after taking legal opinion, if necessary, is satisfied that the person or persons entitled to receive the money in the Fund, according to the will and the declaration made under the rules are the same, no reference need be made to the Government;

(b) When a subscriber dies leaving no family as defined in the rules and without having made any declaration under the rules, the Account Officer may make payment, after the advice of the Law Secretary has been taken, without a reference to the Government, to any person, claiming on the authority of a will of which probate has been granted by a competent court, provided that where the amount involved does not exceed Rs 500, no probate need be insisted upon and the amount may

be paid to such person or persons as the officer making the payment considers to be the proper person or persons to receive it.

(G-I, F.D. No.F.I.X.F.E., dated the 30 September 1924 and Fc D-4881-I-II-29, dated the 21st March 1929.)

NOTE-2: -Payment of Deposits on the basis of the Award given by a Civil Court: - A doubt was raised whether in the case of a subscriber who died without leaving a nomination, a decree obtained on the basis of the award by a Civil Court directing the payment of the deposits at credit of the subscriber otherwise than in accordance with the provisions of rule 31 of the Madhya Pradesh General Provident Fund Rules is binding. It has been held in consultation with the Law Secretary to Government of Madhya Pradesh that such a decree has no effect and that the payment has to be made in accordance with the provisions of the Provident Fund Act and rule thereunder.

(L.R.'s memo No. 270-A-II-dated the 21st May 1949. to A.G.)

NOTE-3: - Payment of Provident Fund money due to a minor beneficiary of a deceased subscriber: (a) A guardian appointed by the court to receive payment on behalf of a minor beneficiary should alone be recognized even where the amount involved does not exceed the limit of Rs. 5,000 specified in clause (b) of sub-section (1) of section 4 of the Provident Fund Act, 1925. But if the party pleads inability to incur expenditure for obtaining the guardianship certificate from the Court, the orders of the Government should be obtained for making any payment.

(c) Payment may, however, be made without requiring the production of a guardianship certificate from the Court if the share of a minor beneficiary does not exceed Rs.100: -

(i) to the natural guardian of such minor beneficiary, or

(ii) in the absence of a natural guardian to the person considered fit by the head of the office to receive payment on behalf of such minor beneficiary on such person executing a bond (see Appendix F) signed by two sureties agreeing to indemnify the Government against any subsequent claim which might arise:

Provided that the natural guardian may, if it is considered expedient, be required to execute a bond signed by two sureties agreeing to indemnify the Government against any subsequent claim which might arise before the payment is made:

Provided further that, in case governed by the Hindu law, payment may be made, without requiring the production of a guardianship certificate from the Court to a Hindu widow of a deceased subscriber on behalf of her minor children other than step-children irrespective of the limit of Rs. 100 specified above. She may, if considered expedient, be required to execute a bond signed by two sureties agreeing to indemnify the Government against any subsequent claim which might arise before the payment is made.

NOTE-4: - Right of a posthumous child to a share in the balance at the credit in the General Provident Fund of his father: - A man's posthumous child is a member of his family at the time of his death, and, if born alive, should be treated in the same way as surviving children before the subscriber's death. The case of a posthumous child already born when the case is taken up by the disbursing

officer will present no difficulty. For the rest if the existence of a posthumous child is brought to the notice of the disbursing officer, the amount which will be due to the child in the event of its being born alive should be retained, and the balance distributed in the normal way. If the child is born alive, payment of the amount retained should be made as in the case of a minor child; but if no child is born or a child is still-born, the amount retained should be distributed among the family

(G-I,F.D.No.D/1333-R-II/29, dated the 9th May 1929).

Note-5:(a) (1) It is inconsistent with section 3(1) of the Provident Funds Act, 1925 for Government to deduct any amount due to it by a subscriber from his accumulation in the General Provident Fund at the time of his retirement, or from un disbursed General Provident Fund accumulations payable to a subscriber's nominee in the event of the subscriber's death in serve or after retirement, as the ease may be, even though the consent of the subscriber or nominee may have been obtained.

(2) In cases where the subscriber or nominee is willing to repay the amount due to Government, the best course would be to treat the repayment as second transaction. The whole of the money should first be paid intact and without any compulsion. Thereafter the payee may be called upon to make good the Government dues.

(G/I letter No. F. 20(2)-R-II-45, dated the 28th February 1945.)

(b) In view of the express provision in section 3 of the Provident Funds Act, 1925, that the balances in the Fund shall be free from any liability incurred by the subscriber or the dependent before the death of the subscriber, it has been decided that the immunity provided by section 3(1) of the said Act against deductions from accumulations in a provident fund of any debt incurred or liability owed does not extend to the liabilities incurred by the subscriber's nominee after the subscriber's death. The provident fund balances vesting in a dependent are thus liable to attachment for debts incurred by the dependent after the subscriber's death, and where such debts are due to the Government by whom the balances are payable, they could be set off against such balances under the general law relating to the setting off of claims and counter-claims between the two parties.

(Government of India, Ministry of Finance (Revenue and Expenditure) No.F.30(2)-EV-53, dated the 28May 1953, and M.P.F.D.No. 7762-1349-R/VI-III, dated the 13 August,1953.)